DOCUMENT RESUME

ED 321 756 IR 014 524

TITLE The Florida Public Broadcasting System. Report and Recommendations of the Postsecondary Education Planning Commission. Report 3.
INSTITUTION Florida State Postsecondary Education Commission, Tallahassee.
PUB DATE 15 Feb 90
NOTE 85p.
PUB TYPE Information Analyses (070) -- Reports - Research/Technical (143)

EDRS PRICE MF01/PC04 Plus Postage.
DESCRIPTORS *Cable Television; *Policy Formation; *Public Television; *State Aid; *Telecommunications
IDENTIFIERS Fund Accounting; Interconnection; *Public Broadcasting; *Public Radio

ABSTRACT

This study of the Florida Public Broadcasting Program System, which was conducted by the Program Committee of the Postsecondary Education Planning Commission, focused on five basic issues: (1) What are the current policies and procedures for determining how to add public broadcasting stations to Florida's system? (2) How should Florida fund public broadcasting stations? (3) How well does Florida's interconnection system meet the state's needs? (4) What effect has the cable industry had upon the system's public broadcasting stations? and (5) How should state government best ensure the accountability of state funds used by system public broadcasting stations? The report includes a review of the literature on public broadcasting as it evolved on the national level and as it is administered in Florida. Also included are the Committee's analysis of policies and procedures of Florida's public broadcasting system, results of interviews and public testimony with public broadcasting representatives, a consultant's report, and recommendations intended to help clarify existing policies and procedures. Appendixes include Corporation for Public Broadcasting qualification criteria for television community service grants, a list of public broadcasting radio and television stations in Florida's system, a summary of legislative appropriations for 1980-1989, a description of revenue sources of individual system stations for 1987-1988, and coverage maps of Florida public television and radio. (GL)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

JC

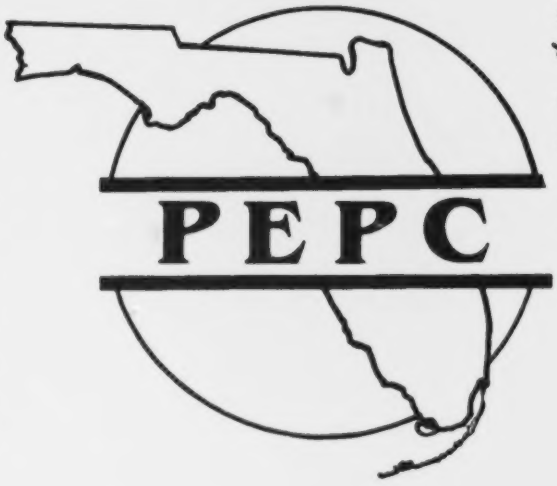
U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

X This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy

ED321756 -



THE FLORIDA PUBLIC BROADCASTING SYSTEM

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

William B. Proctor

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

Report and Recommendations of the Postsecondary Education Planning Commission

-IR014594

BEST COPY AVAILABLE

1990 - Report 3

CS 10-0010S

POSTSECONDARY EDUCATION PLANNING COMMISSION

Michael B. Butler, Chairman Altamonte Springs	**Donald P. Kahn** Coral Gables	**Robert B. Mautz** Gainesville
Alan G. Fickett Orlando	**Robert G. Kerrigan** Pensacola	**Tully Patrowicz** Mount Dora
Thomas A. Heath Auburndale	**D. Burke Kibler, III** Lakeland	**Robert G. Stern** Gainesville
Ralph Hogges Miami	**Thomas R. McGehee** Jacksonville	**Carolyn M. Wilson** Tampa

Dr. William B. Proctor, Executive Director

The Postsecondary Education Planning Commission, initially created by executive order in 1980 and subsequently given statutory authority, serves as an advisory body to the State Board of Education on all postsecondary education matters. The Commission is composed of 11 members of the general public and one full-time student registered at a postsecondary education institution in Florida. Members are appointed by the Governor with the approval of three members of the State Board of Education and subject to confirmation by the Senate.

The major responsibility of the Commission is preparing and updating every five years a master plan for postsecondary education. The enabling legislation directed that the Plan "shall include consideration of the promotion of quality, fundamental educational goals, programmatic access, needs for remedial education, regional and state economic development, demographic patterns, student demand for programs, needs of particular subgroups of the population, implementation of innovative educational techniques and technology, and the requirements of the labor market. The capacity of existing programs, in both public and independent institutions, to respond to identified needs shall be evaluated and a plan shall be developed to respond efficiently to unmet needs."

Other responsibilities include recommending to the State Board of Education program contracts with independent institutions; advising the State Board regarding the need for and location of new programs, branch campuses and centers of public postsecondary education institutions; reviewing public postsecondary education budget requests for compliance with the State Master Plan; recommending to the Commissioner of Education proposals for support through the Postsecondary Cooperation Trust Fund; and periodically evaluating the State's 28 regional coordinating councils for vocational education, adult general education and community instructional services.

Further information about the Commission, its publications, meetings and other activities may be obtained from the Commission office, 210 Collins Building, Department of Education, Tallahassee, Florida, 32399-0400; telephone (904) 488-7894.

POSTSECONDARY EDUCATION PLANNING COMMISSION

THE FLORIDA PUBLIC BROADCASTING SYSTEM

Prepared in Response to Specific Appropriation 587
of the
1989 General Appropriations Act

1990 - Report 3

February 15, 1990

IR 014524

TABLE OF CONTENTS

EXECUTIVE SUMMARY..... i

I. **INTRODUCTION**..... 1

II. **THE DEVELOPMENT OF PUBLIC BROADCASTING AS A MEDIA FORCE**..... 3

The Birth of Public Broadcasting
Landmarks in Public Broadcasting
The Funding of Public Broadcasting
State Government and Public Broadcasting
National Issues in Public Broadcasting

III. **PUBLIC BROADCASTING IN FLORIDA**.....14

The Florida Public Broadcasting Program System
The Office of Public Broadcasting
Florida Public Broadcasting Program System Operational Support

IV. **ANALYSIS OF PUBLIC BROADCASTING POLICIES AND PROCEDURES**.....24

Interviews and Public Testimony
Consultant's Report

V. **ISSUES AND RECOMMENDATIONS**.....31

State Policy and Public Broadcasting
The Interconnection System
Florida Community Service Grants
Cable Television and Public Broadcasting
Accountability and Public Broadcasting Programs

APPENDIX A CPB Qualification Criteria for Television Community Service Grants
APPENDIX B Public Broadcasting Radio and Television Stations in Florida's System
APPENDIX C Legislative Appropriations for 1980-1989
APPENDIX D Revenue Sources of Individual System Stations for 1987-1988
APPENDIX E Florida Public Television and Radio Signal Coverage
APPENDIX F Consultant's Report
APPENDIX G 1988 Auditor General Recommendation Regarding S. 229.8051, F.S.

EXECUTIVE SUMMARY

In proviso language accompanying Specific Appropriation 587 of the 1989 General Appropriations Act, the Postsecondary Education Planning Commission was directed to review current policies and procedures related to the Florida Public Broadcasting Program System (System). The public broadcasting System in Florida has earned the respect of other state systems from around the country for its quality programming and decentralized interconnection arrangement. The Florida System is comprised of twenty-two locally licensed and professionally managed public television and radio stations. The individual stations produce, schedule, and broadcast music, fine arts, public interest, and instructional programming. The individual stations can also be interconnected by satellite for simultaneous broadcast of statewide programs such as **Today in the Legislature** and **Florida Crossroads**. The State provides funding for System stations through legislative appropriations. The appropriations are distributed in the form of community service grants, equipment grants, and programming grants. The Department of Education's Office of Public Broadcasting is responsible for all policies and procedures for administrating the System.

In conducting the study on the policies and procedures of Florida's System of public broadcasting, the Commission worked closely with the Office of Public Broadcasting and representatives from System and non-System public broadcasting stations. In addition, Mr. David Brugger, President of the National Association for Public Television Stations, was engaged as an external consultant to provide a national perspective on the policies and procedures of Florida's public broadcasting System. A literature review, interviews, public hearings, and consultant report provided information which guided the study throughout its development.

The Commission found that there are no written policies or procedures which guide the management of Florida's public broadcasting System. The Office of Public Broadcasting relies on interpreting Section 229.8051, F.S., to direct the activities of its operation. While the Director of the Office of Public Broadcasting has been consistent in his interpretation of the statute, the Commission determined through its interviews and the consultant's report that Section 229.8051, F.S., is subject to different interpretations. Specifically, there is confusion over how to determine whether non-System public broadcasting stations are eligible for state funding under Section 229.8051, F.S. The Commission concluded that the policy intentions of Section 229.8051, F.S., were imprecise and inconsistent. The statute also does not address such growth and policy considerations as funding the future development of public broadcasting in Florida, monitoring the rapid changes occurring in the industry, and fulfilling the telecommunication needs of Florida's citizens through state assisted telecommunication services.

The Commission in its deliberations also reviewed the allocation process of community service grants to stations in Florida's System of public broadcasting. The Commission determined that the present informal process of allocating community service grants to System television and radio stations was a reasonable procedure. The present distribution process provides for equal grants to all television stations and equal grants to all radio stations. This equal allocation process enables small stations in rural areas of the state to procure the same high quality programs that large stations in

urban areas purchase. The equal distribution process also ensures that smaller stations will have an equal voice in the decision making process of the System.

The Commission examined several other issues pertaining to the policies and procedures of Florida's public broadcasting System. The Commission found that System station representatives are satisfied with the present interconnection system. The consultant also remarked that Florida's interconnection system offers the advantages of broadcasting locally scheduled programs as well as the ability to broadcast simultaneously programs of a statewide interest. In addition, System station representatives reported good working relationships with their local cable operators, but expressed uneasiness over the cable industry as an unregulated utility. In particular, System representatives were concerned that cable companies have exclusive control over what stations are carried over cable and where public television channels are placed on the cable menu. Finally, the Commission determined that stations in Florida's System of public broadcasting undergo a series of financial audits each year. The Commission agreed with the consultant's findings that creating a formal state process to verify System station programming would be duplicative and a possible infringement upon First Amendment considerations.

Recommendations:

1. **The Legislature should take immediate action to clarify the public policy directives of Section 229.8051, F.S.** The statute should be clarified in order to serve as a clear interim policy statement until such time as the task force identified in Recommendation 2 is prepared to submit its policy recommendations to the State Board of Education.

2. **A task force should be commissioned under the auspices of the State Board of Education to recommend a clear, comprehensive educational telecommunications policy for the State of Florida.** The task force membership should include leaders from a broad spectrum of Florida's professional population. Task force members should represent professionals from the Legislature, the arts, business, public broadcasting, education, libraries, sciences, health, and agencies responsible for state telecommunications services. The task force should determine the State's future educational telecommunications policy based on the needs of Florida's citizens. Some of these telecommunications needs might include instructional programs aired over the public broadcasting system and supplemented with textbook assignments and course outlines from teachers; business training programs produced through higher education facilities, recorded on video cassettes, and financed by the private sector; and, computer technologies designed to provide interactive curricula for a variety of disciplines.

   Second, the task force should take advantage of work being done in other states and undertake a review of telecommunications services and capital investments being offered in other state

systems. The Florida task force should use information obtained from these states to compare the feasibility of existing versus emerging technologies, to gather cost information on potential telecommunications services, and to gauge the base of support of the telecommunications services planned for those states.

Third, the task force should examine whether the State is maximizing its current investment in educational telecommunications services like public broadcasting, Instructional Television Fixed Service, and the State Satellite Network.

Finally, the task force should compare existing educational telecommunications services with those services the state desires to provide and make its policy recommendations to the State Board of Education within a reasonable period of time to complete its study.

3. **The task force should examine as part of its study on educational telecommunications services the State's current investment in public broadcasting facilities, equipment, and programming.** Special attention should be given to the state's technical investments such as the interconnection system, State Satellite Network, fiber optics, Instructional Television Fixed Service (ITFS), cable television, computers, and future technologies which will provide high quality, cost effective services to the citizens of Florida. These delivery services should be linked to specific policy objectives the State desires to provide to Florida's citizens.

4. **The Office of Public Broadcasting should draft a formal procedure for the allocation of Florida Community Service Grants and submit the draft to the State Board of Education for approval.** This allocation procedure is viewed as an interim process subject to change based upon policy recommendations of the task force.

5. **The Office of Public Broadcasting should do everything within its power to ensure that public broadcasting programming is carried on cable or other private telecommunications carriers.** The transmission of instructional programming, public service programming, or other state funded public broadcasting services over private telecommunications carriers like cable television should be closely monitored by the Office of Public Broadcasting so that the public's access to those services is not obstructed.

6. **The State of Florida should continue to use financial audits to account for the use of state funds expended by System stations.**

7. **When the Legislature appropriates funds to System stations for specific services, the Legislature should provide clear public policy objectives to be accomplished with those funds.**

I. INTRODUCTION

In proviso language accompanying Specific Appropriation 587 of the 1989 General Appropriations Act, the Postsecondary Education Planning Commission was directed to "review current policies and procedures related to the Public Broadcasting Program System."

The public broadcasting study was assigned by the Chairman to the Program Committee. Members of the Program Committee include Robert Kerrigan, Chairman, Thomas Heath, Donald Kahn, Tully Patrowicz, and Robert Stern. Commission staff met initially with appropriate officials from the Legislature and Office of Public Broadcasting to clarify the study's direction. The Commission held five public meetings at which public testimony was received to discuss issues pertinent to the study. Interviews were held with representatives of the Office of Public Broadcasting, System public broadcasting stations, and non-System public broadcasting stations. In addition, a consultant was contracted to assist the Commission with the public broadcasting study.

Public broadcasting in America has grown to be a popular source for news information, instructional programs, music and fine arts entertainment. Since the mid-1970s, the national audience for public television has doubled and the national audience for public radio has tripled. The increase in viewers has been attributed to high quality programs, effective delivery systems, and national organizations which promote creative production and flexible funding.

The expansion of public broadcasting in Florida began with legislation passed in 1973. In that year, the Legislature created the Florida Public Broadcasting Program System (System) described in 73-293, Laws of Florida. The System's purpose was to maintain quality broadcasting capability for public television stations and public radio stations. The stations which comprised the System were licensed by the Federal Communications Commission (FCC) to local communities, school boards, community colleges, or the Board of Regents. State funding was provided to assist qualified public broadcasting stations with operations, equipment, production and program distribution, construction of station facilities, and a statewide interconnection system.

In 1980, the Legislature enacted Section 229.8051, Florida Statutes, to limit the expansion of public broadcasting in Florida. The statute stated that the state would not fund any public broadcasting services which would substantially duplicate stations receiving funds as of July 1980. The Department of Education's Office of Public Broadcasting was given authority to enforce the Section 229.8051, F.S., as well as to develop policies and procedures in implementing the System.

The Office of Public Broadcasting determines whether a public broadcasting station is eligible for state funding and becomes part of Florida's System of public broadcasting. According to the Office of Public Broadcasting, a non-System station is eligible for state funding if it is qualified by the Corporation of Public Broadcasting (CPB) and if the station's broadcast signal does not substantially duplicate the broadcast signal of existing System public broadcasting stations.

Since 1980, Florida has undergone tremendous population and telecommunications changes that have affected public broadcasting in the state. Florida has become the nation's fourth largest state with a population increase of nearly 250,000 people annually. Demographically, Florida has also become more diverse in terms of race, ethnicity, and age. In addition to population changes, Florida's telecommunications needs have transformed rapidly. Cable television service has emerged as one of the largest carriers of television broadcast signals throughout many of Florida's communities. Satellite technology has developed into a vital communications link between state government and the citizens it serves. And fiber optics has been introduced as one of the most cost effective means to deliver communications information in the decade ahead.

In response to the issues of population growth and technological change, the Legislature charged the Commission to examine the current policies and procedures of the Florida Public Broadcasting Program System. The basic issues addressed in this report are:

1. What are the present policies and procedures for determining how to add public broadcasting stations to Florida's System?

2. How should Florida fund public broadcasting stations?

3. How well does Florida's interconnection system meet the State's public broadcasting needs?

4. What effect has the cable industry had upon the System's public broadcasting stations?

5. How should state government best ensure the accountability of state funds used by System public broadcasting stations?

The report includes a literature review of public broadcasting as it evolved on the national level and as it is administered in Florida. Also presented in the report are the Committee's analysis of policies and procedures of the Florida's public broadcasting System, results of interviews and public testimony with public broadcasting representatives, and the consultant's report. Recommendations resulting from the study are intended to help clarify existing policies and procedures related to Florida's System of public broadcasting.

II. THE DEVELOPMENT OF PUBLIC BROADCASTING AS A MEDIA FORCE

The lives of Floridians are transformed each day by their need to receive, to share, and to transmit information. This demand for information is reflected in the fast-growing telecommunications industry, and is found in the conduct of public as well as private sector business.

Television and radio are two media that comprise a significant portion of the multi-billion dollar telecommunications industry. In the private sector, the purpose of the broadcasting business is to make a profit through the sale of on-air time. Programs broadcasted on commercial radio and television stations are created to reach the largest audiences, and ultimately, to reap the largest advertising revenues.

In the public sector, the purpose of television and radio broadcasts is to serve the tastes and interests of an audience who have been either overlooked or neglected by the commercial media. Noncommercial or public broadcasting has traditionally focused on offering high quality, diverse programs in categories such as performing arts, public affairs, classroom instruction, news, children's shows, cultural documentaries, science and nature.

The following discussion traces the development of public broadcasting on a national and statewide basis. Included in the discussion are the history, organization, funding, and regulatory aspects of public broadcasting.

The Birth of Public Broadcasting

Early Public Radio-1920 to 1967

The roots of public broadcasting in America can be traced back to the 1920s when 74 college and university radio stations were in operation. These radio stations were commonly known as educational broadcast stations. They operated independently without a national organization to assist them in the production and the distribution of programs. The radio industry was not regulated in these early years of broadcasting and as a result, college radio stations were dominated by over 400 well-established commercial radio stations.

In 1927, the Federal Radio Commission (FRC) was established as the forerunner to the Federal Communications Commission (FCC). The purpose of this federal regulatory agency was to control the haphazard growth of the radio industry. Radio stations became regulated commercial activities, with private interests licensed by the FCC as public trustees of specified frequencies, and charged to operate them in the "public interest, convenience, and necessity." As the FCC exerted its licensing control over radio stations, it reassigned the radio frequencies of educational stations to make room for more commercial radio licensees. The growth and enhancement of educational radio was slowed by strong commercial interests. A recent issues paper published by National Public Radio quoted one of the first FCC commissioners as saying:

> Commercialism is at the heart of broadcasting in the United States. What has education contributed to radio? Not one thing. What has commercialism contributed? Everything--the life blood of the industry.

Thus, broadcast signals of educational radio stations were primarily confined to the former, hard-to-pick-up FM bands. Educational radio stations also were required to follow several specific, governmental restrictions. Finally, in 1945, the FCC preserved a small place for educational radio by reserving 20 of 100 FM channels exclusively for noncommercial usage--nearly twenty-five years after the first stations were on the air.

Between 1952 and the late 1960s, the number of noncommercial radio stations grew steadily. In slightly more than 25 years, the number of noncommercial radio stations on the air increased from 100 to 400. However, the program quality and the signal coverage of these noncommercial stations were suspect. In order to obtain a better understanding of how noncommercial radio was operating in the United States, the Ford Foundation sponsored a study to assess the state of public radio. The 1967 study entitled **The Hidden Medium: A Status Report on Educational Radio in the United States** reported that most noncommercial radio stations were understaffed, underfinanced, and operated with poor facilities. Most educational radio stations served only institutional functions such as student training or in-class instruction. It was not uncommon for some of these radio stations to be off the air an entire summer. Thus, the early development of public radio in this country was described as an ad hoc system with no clear definition of purpose and no systematic financial support for programming.

Early Public Television-1950 to 1967

The first public television stations did not appear in any significant number until the early 1950s. They were commonly known as noncommercial television stations. The licenses of these noncommercial stations were assigned principally to educational institutions whose primary purpose was to provide instructional programs. As television became more popular, nonprofit community organizations began to apply for and to receive broadcast licenses. These community noncommercial television stations broadcasted more general interest programs. In 1952, the FCC reserved 242 channels nationwide for all noncommercial, educational broadcasting. However, most noncommercial television stations were forced to broadcast in the hard-to-receive UHF band (UltraHigh-frequency) because the commercial broadcasting sector dominated space on the VHF (Very-High-Frequency) spectrum.

Funding sources for these early community and educational broadcasting entities came from a variety of sources. Noncommercial community stations derived most of their funds from private contributions, auctions, and foundation grants. Noncommercial educational stations received most of their financial support from sponsoring institutions as well as state and local governments. The Ford Foundation also assisted many educational stations with grants for the production and distribution of programs that might have a national interest.

It was not until 1962 that the federal government first began to provide financial assistance to noncommercial broadcasting. Specifically, Congress enacted the Educational Facilities Act which authorized $32 million in federal matching funds over five years for constructing new educational TV stations and for upgrading facilities at existing stations. This new source of revenue had a significant impact upon the growth of public television. By 1967, there

were 126 educational television stations in operation. Most educational stations were licensed either to educational institutions or to state and local governments. The success of the federally supported facility program and the increase in the educational television audience were evidence of the emergence of noncommercial television.

The influx of new federal funds for constructing stations aided the steady growth and technical sophistication of noncommercial television. However, the 1962 Facilities Act did not address financial assistance for the production of noncommercial television programs. The gap in funding assistance for programming was recognized as a problem by distinguished leaders in educational broadcasting. As a result, they approached the Carnegie Foundation in 1965 and were supported with a grant to study educational television in America.

The Carnegie Commission on Educational Television completed its research in 1967 and published a report entitled **Public Television: A Program for Action**. The Carnegie Commission report recommended a major Congressional commitment to support a national public broadcasting system. The proposed public broadcasting system would support not only facility construction, but also station programming, and station operations. Part of the 1967 Carnegie report sought to expand the concept of educational television. A new term, "public broadcasting" was coined to describe a broader concept in programming. The Carnegie report stated that public broadcasting was to include "all that is of human interest and importance which is not at the moment appropriate or available for support by advertising, and which is not arranged for formal instruction" (p.1). Thus, it was recommended that "public television" programming emphasize programs for general enrichment and information, with less attention given to programs for classroom instruction.

A National System of Public Broadcasting

Using the 1967 Carnegie Commission report as a guide, Congress passed Public Law 90-129, the Public Broadcasting Act of 1967. According to a later Carnegie Commission report on public broadcasting, the 1967 Act "was the most important event in the history of noncommercial broadcasting." Its enactment was referred to as the land-grant act to establish public broadcasting as a national educational institution. The Act acknowledged the importance of an independent, noncommercial broadcasting system as a national institution. It also set a precedent for the federal government's commitment to supplement state, local, and private funds for enhancing the quality of public broadcasting.

The thrust of the 1967 Act focused on the creation of the Corporation for Public Broadcasting (CPB). CPB was established as a private, nonprofit organization to receive and to dispense private and federal funds for public broadcasting. CPB was not created as a government agency; therefore, it acted as an impartial, responsible buffer between governmental/private funding sources, and the stations' First Amendment right to creatively express themselves through their programs. The Corporation was initially directed by a board of 15 members who were appointed by the President with the advice and consent of the Senate.

CPB was mandated by law to guide the development of a national public broadcasting system. CPB's primary areas of responsibility included:

- developing television and radio systems that would reach and serve all Americans with alternative programming;
- developing interconnection services that would link the public broadcasting stations nationwide;
- helping support those stations;
- helping ensure production of high quality programs from diverse sources;
- providing training, instruction, recruiting, research, and development.

Public Television

One of the first priorities of CPB was to set up a live, permanent (electronic) interconnection among public television stations. The purpose of this interconnection was to permit public television stations equal access to national programming. The interconnection was linked by AT&T lines and went live in January 1969. This interconnection system finally gave public broadcasting a new national identity.

As station interconnections were established, CPB also addressed the question of who would run the new interconnection system. Since CPB was to act as the buffer for shielding public broadcasting from political pressures, it was mandated that the Corporation not be permitted to run a network, own stations, or produce programs. As a result, the Corporation for Public Broadcasting worked with individual public television stations to establish a new organization to run the interconnection system--the Public Broadcasting Service.

The Public Broadcasting Service (PBS) was created as a nonprofit, independent membership organization representing and providing services to the individual public television stations it served. The two primary functions of PBS were to manage the station interconnection system and to promote/schedule programs of a national interest. PBS also developed into a national organization which represented the interests of the individual public television stations and worked closely with station producers and managers in assessing station operation needs and station program priorities. PBS was cautious, however, in respecting the individual stations' right to produce their own programs, and not control or dictate station schedules or programming.

By 1969, the framework for a national public broadcasting system was in place. There were over 120 public television stations ready to participate. These first stations were commonly referred to as the "bedrock" of the national public broadcasting system. The stations were responsible for two important functions: (1) deciding what was to be broadcast to their audiences; and (2) raising funds to support station operations and programming. The stations were also particularly concerned about maintaining their right to determine

what programs their communities would receive. Funding mechanisms were developed by the stations which enabled them to exercise their editorial responsibilities to their communities, and at the same time, lessen the external influence on programming decisions by forces such as the government, private funding sources, or special interest groups.

In 1979, public television stations established an additional nonprofit, membership organization to complement the role of PBS. The National Association of Public Television Stations (NAPTS) was created to coordinate activities in three primary nonprogramming areas--representation, research, and planning. Specifically, NAPTS represents stations' interests before Congress and government agencies, assists stations with long-range planning and system research, and finally, monitors and analyzes key issues that affect public television stations.

Public Radio

A nation-wide effort to organize public radio stations followed the development of public television's national system. Again, America's 400 public radio stations were portrayed as a diverse, weak, and fragmented group. An organization was needed to manage the new interconnection system as well as to produce high quality programs of a national focus. The Corporation for Public Broadcasting worked with the public radio stations in 1970 to create National Public Radio (NPR), a membership organization similar to the Public Broadcasting Service used by public television. Like PBS, National Public Radio would run the interconnection system; however, unlike television's Public Broadcasting System, NPR would be directly involved in producing programs of a national interest for its member stations. It was thought that a national capability to produce high quality programs would enhance the appeal of public radio. This thinking proved successful as the first national program produced by NPR is the currently successful and highly acclaimed evening news program, **All Things Considered.**

Landmarks in Public Broadcasting

Today, there are more than 342 television stations and 300 radio stations that comprise the national system of public broadcasting. There have been several milestones since the establishment of CPB, PBS, and NPR. One of the most significant events was the development of a satellite interconnection system in 1978. Satellite linkage was a major technological breakthrough for the entire broadcasting industry--and public broadcasting led the way. Sound and picture quality improved immensely. Programs could be sent and received simultaneously which permitted stations to access more programs and to plan flexibly for scheduling. However, by 1992, the present satellite interconnection system will have lived out its present usefulness. As a result, CPB, PBS and NPR are in the process of planning for a new interconnection system that will use new technologies such as fiber optics. Engineering studies and financial analyses are underway to find the best replacement for the existing satellite system.

Another milestone in public broadcasting history was the creation of the CPB Television Program Fund in 1980. According to the **Corporation for Public Broadcasting 1986 Annual Report**, the Fund enables substantial sums of money to

be put in one place, making it easier to access money for program production. The Fund also provides more flexibility and political insulation for decisions on program funding, along with more stability for programming major series. Programs such as **WonderWorks**, **Frontline**, **American Playhouse**, **Great Performances**, and **The MacNeil/Lehrer NewsHour** have been financed by the Fund.

A third important event in recent public broadcasting history was the establishment of the Annenberg/CPB Project. Spearheaded by former Ambassador Walter Annenberg and by CPB, the project provided for the largest single gift ever received in the history of higher education and public broadcasting. A gift of $150 million was donated to underwrite a higher education program that would bring the college classroom experience to people unable to attend a conventional college. Radio, television, and allied telecommunications technologies would be used to deliver the courses. Since 1984, more than 1,000 colleges and universities have adopted the courses. The Project has been recognized with over 50 broadcasting and educational awards for programs such as **The Brain**, **Planet Earth**, **The Constitution: That Delicate Balance**, and **The Mechanical Universe**.

Finally, public broadcasting has been recognized consistently for its rich, diverse programs. More than 300 national awards have been awarded to public television stations and radio stations for excellence in broadcasting. Peabodies, Emmies, DuPont Columbias, and Oscars make up some of the awards in public broadcasting's trophy case. The programs produced by public television and radio represent seven broad categories--public affairs and news, children's programming, classroom programming, drama, cultural documentary, performing arts, and science and nature. Some of the more recognizable programs not previously mentioned include **Firing Line** with William F. Buckley, **Mr. Roger's Neighborhood**, **Reading Rainbow**, **American Playhouse**, **NPR Playhouse**, **Live from Lincoln Center**, **A Prairie Home Companion**, **Nature**, **National Geographic Specials**, and **The Living Planet**.

The high quality programming has resulted in a substantial audience gain for public broadcasting. Since 1974, weekly public television viewers have doubled to more than 100 million and weekly public radio listeners have tripled to more than 10 million. An even greater sign of audience satisfaction is indicated in dollar donations to public broadcasting. Since 1974 donations to public television and public radio have risen ninefold and twentyfold, respectively. While subscriber support to public television and radio stations is vital, these dollars do not come close to meeting operating costs. A closer look at funding practices is necessary to understand how public broadcasting is financially supported.

The Funding of Public Broadcasting

Federal Funding

Federal funding to CPB began in 1969 with a Congressional appropriation of $5 million. The funds were used by CPB to support three areas--the interconnection system, program funding, and operating assistance. As reported earlier, the interconnection system received highest priority. CPB combined funds with the Ford Foundation to connect 150 public television

stations in 1969. One year later, the interconnection system for public radio was completed for NPR's 91 charter members.

The second funding priority was to assist in the production of national programs. Public radio and television pioneered award-winning programming for all Americans with programs such as **Sesame Street**, **Nova**, **The MacNeil/Lehrer NewsHour**, **Black Journal**, **All Things Considered**, and **Morning Edition**.

Finally, federal support for individual public radio and television stations was provided by CPB in the form of a Community Service Grant (CSG). Stations were eligible to receive a CSG if certain minimum operating standards were met. The criteria were designed to ensure that stations receiving funds provided a professional broadcasting service to their licensing communities and that limited federal dollars were allocated judiciously to develop strong public television and radio systems. Virtually all of the existing television stations in 1969 met the operating criteria. However, only 73 out of 400 public radio stations met the initial operating qualifications, and thus, were eligible to receive CSGs.

Currently, federal funding to CPB is based on the total amount of non-Federal financial support received by public broadcasting member stations during the preceding fiscal year. The federal funds are appropriated from the Public Broadcasting Fund. Approximately 60 percent of CPB's budget is allocated to public television and radio stations in the form of Community Service Grants. Stations use the CSGs to acquire programs, to finance production equipment and facilities, and to pay for interconnection services. Stations are still required to meet CPB programming, technical, and financial criteria before being qualified to receive CSGs (Appendix A). Once the CPB qualifying criteria are met, CSGs are distributed according to a station's ability to demonstrate community support and income from diverse, nonfederal sources. In the 1986 fiscal year (FY), over $105 million was allocated in CSGs: $81.1 million to more than 300 public television stations and $24.4 million to 288 public radio stations.

A second source of federal funding for public broadcasting originates within the National Telecommunications and Information Administration (NTIA), United States Department of Commerce. NTIA is a federal agency that administers a special grant program called the Public Telecommunications Facilities Program (PTFP). The primary purpose of PTFP is to award federal matching grants to new public telecommunication facilities which extend service to areas not currently receiving such services. Existing stations may also be eligible to receive grants if they expand or improve services to their service areas. However, service to areas not currently receiving public broadcasting services have higher priority over existing stations which seek to expand or to improve existing services. PTFP provides separate grants to cover costs associated with the planning and construction of public telecommunications facilities, and broadcasting equipment. The federal government may not match more than 75 percent of a project's determined costs.

Other Funding for Public Broadcasting

Public broadcasting has been supported by the federal government for twenty-five years. However, the federal government has consistently provided less support than private donors and state/local governments. The overall funding of public broadcasting since 1981 has been increasing (Table 1). Private supporters comprise the largest and fastest growing source of income for public broadcasting stations. In 1986, over 50 percent of public radio and television funds came from private sources such as individual subscribers, private foundations, and corporate sponsors. In addition, fund raising has become an increasingly important means for public broadcasting stations to meet operating expenses.

State and local governments have provided the core support for public broadcasting stations since the Public Broadcasting Act of 1967. While recent state support has hovered around the 30 percent range, absolute dollars have increased approximately eight percent a year since 1980. Also, state governments have been largely responsible for building and equipping many of the public broadcasting stations in existence today.

TABLE 1

PUBLIC BROADCASTING INCOME BY SOURCE FOR FY 1981-86
(In Thousands)

INCOME SOURCE	FY 1981	FY 1982	FY 1983	FY 1984	FY 1985	FY 1986
CPB	$162,000	$172,000	$137,000	$137,500	$150,000	$159,000
% of Total	21.6	21.2	15.2	14.1	13.7	14.0
Contracts & Grants (Fed)	31,669	25,625	26,722	29,465	28,747	25,880
% of Total	4.1	3.9	3.0	3.0	2.6	2.3
State/Local tax-based*	277,492	301,038	318,312	334,506	358,402	379,386
% of Total	36.1	35.6	35.4	34.3	32.7	33.4
Private	291,734	301,038	318,312	334,506	358,402	379,386
% of Total	38.7	41.0	46.4	48.5	51.0	50.3
TOTAL INCOME	**$768,895**	**$845,214**	**$899,179**	**$974,243**	**$1,096,328**	**$1,135,491**

* State and local tax-based sources include income received from state colleges and universities.

Source: Corporation for Public Broadcasting Policy Development and Planning, July 1987 in the book **Public Radio and Television and State Govts.**

Finally, it should be noted that the proportion of federal funding has gradually declined since 1980. This decrease reflects stronger private and local support for public radio and television stations as well as the federal government's philosophy of less involvement in supporting local station operations.

State Government and Public Broadcasting

State governments have been involved in assisting public broadcasting stations since the first college radio stations went on the air in the 1920s. Today, there are a variety of ways state governments authorize their involvement in public broadcasting. One of the most obvious ways of assistance is through the funding process. Many public radio and television stations have been largely built and equipped with state funds. In 1987, state governments appropriated $195 million in general support of public broadcasting with $144 million going specifically toward public television, $10 million to public radio, and the remaining amount to administer other aspects of public broadcasting. Some states like Florida provide unrestricted grants for their public television and radio stations. Other states like Pennsylvania provide funding just for public television stations and not public radio stations. Each state government determines what type of assistance it will provide its public broadcasting stations.

State governments also concern themselves with the operation of public broadcasting interconnection systems. Again, the interconnection system is the electronic linkage of stations that permits stations to share programs. There are many ways in which a state can link public broadcasting stations. Some states, like Georgia and Kentucky, have a centralized television network which originates programs from a network center to be broadcast at stations having no local origination capacity. On the other hand, there are some states like Florida which have stations that are locally controlled and thus, have a decentralized interconnection system. A decentralized system allows for local program production as well as simultaneous broadcast when the programs are of a statewide significance.

Another means by which states are involved in the public broadcasting system is through the governing activities of state agencies. Some state agencies hold licenses to the public broadcasting stations and operate centralized interconnection systems. Other state governments simply provide funding to stations, but the stations are licensed to private interests and not to the state. There are also various state agencies which have the authority to govern the stations. Examples of state agencies that govern public broadcasting stations include state education departments, state systems of higher education (boards of regents), governor's offices, and other administrative agencies.

National Issues in Public Broadcasting

There are several technological and financial issues on the national scene that are being monitored by the public broadcasting industry. One issue deals with how public television should be carried on local cable television systems. Prior to 1986 through "must-carry" rules, the FCC required that cable television systems broadcast local public television stations. However,

an appeals court ruled that "must-carry" rules are unconstitutional. Recently proposed FCC regulations would require cable systems to carry at least one public television station, and larger systems at least two local public stations. These new regulations have not been approved and as a result, there is no guarantee that local public television stations are assured of a place on the cable menu.

Another issue related to the cable television system concerns the programming area. With the advent of commercial sponsored cable channels such as **The Discovery Channel** and **Arts and Entertainment**, public television stations have found themselves in a more competitive programming position. First, these new commercial entertainment channels have successfully competed against public television in producing programs usually reserved for the public broadcasting arena. Second, it is suspected that public television viewer support has eroded because these new commercial channels show programs that have traditionally been broadcast by public television stations.

The future growth and expansion of public broadcasting is another concern. According to a federal study just released by the U.S. Department of Commerce's National Telecommunications and Information Administration, no new full-service public broadcasting stations are needed in America. NTIA came to this conclusion based on (1) the need to expand service to underserved or unserved areas of the country, and (2) the present signal coverage afforded to viewers and listeners primarily of CPB and NPR broadcasting stations. NTIA defines and prioritizes public broadcasting expansion by first, a lack of signal coverage, and second, unmet programming needs usually represented by minority concerns. It was estimated that over 94 percent of the country can receive a public television station and that 86 percent receives a signal from a public radio station. The only regions in the country which presently do not receive coverage are located in remote geographic areas or in mountainous states. However, the NTIA study does not address how to serve the diverse programming needs of areas already covered by a public broadcasting signal. The question remains, then, should the future growth and government funding of public broadcasting stations determined by unmet programming needs or the lack of signal coverage.

NPR is also looking at the problem of expanding its services. The expansion issue evokes questions that touch upon programming, funding, and broadcasting. For example, how should public radio address the programming needs of racial and ethnic minorities in areas already covered by existing CPB stations? Should more radio stations be included in CPB's matching grant program, thereby reducing the size of grants to existing CPB stations? What would be the effect on broadcasting quality if CPB grants were reduced to existing CPB stations in order to assist new radio stations? These questions are just a few of the ones being asked by those concerned with the national issue of expansion. NPR has sponsored a Public Radio Expansion Task Force to study these and other related issues.

Finally, an enduring issue that remains paramount in the eyes of public broadcasting station managers is the preservation of freedom of speech through the editorial integrity of programming and of program decision-making. First Amendment concerns appear more often at the state and local level where recent court cases have cast a shadow on the free speech and free press protections

of public broadcasters. The complicating factor at the state and local level is that government agencies are involved in the regulation and funding of privately licensed public broadcasting stations. As a result, the law is not always clear when controversial programs may not be perceived as prudent programming choices. Station managers must weigh First Amendment protections against protecting the state and public interests in program decision-making.

III. PUBLIC BROADCASTING IN FLORIDA

The Florida Public Broadcasting Program System

The operation of noncommercial or public broadcasting stations in Florida requires that interested parties be licensed by the FCC. The FCC obtains its rulemaking authority to regulate all broadcasting facilities--commercial and noncommercial--from the amended Federal Communications Act of 1934. The FCC rules explicitly state that the licensee is responsible and accountable for the implementation of all FCC administration and programming regulations.

The FCC permits the licensing of noncommercial radio and television stations by certain institutions or organizations. There are several types of public television and radio stations licensed by the FCC in Florida. For example, there are institutional stations licensed to educational institutions such as state universities, community colleges, and private universities. There are also stations licensed to school boards, municipalities, or other local public organizations; they are called local authority stations. Finally, stations licensed to private nonprofit organizations are referred to as community stations.

In addition to the three primary types of licensing entities mentioned above, the FCC grants three special purpose licensing agreements in Florida. The first is a noncommercial translator station which enables signals of television or FM radio broadcasts to be retransmitted to areas where direct reception is unsatisfactory due to distance or terrain. The second type of license is a broadcast booster station. A booster station retransmits amplified radio broadcast signals that have originated from a satellite or another FM radio broadcast station.

There are approximately 49 noncommercial or public broadcasting stations licensed in the state of Florida. The purposes and programs of these stations vary widely. Of the 45 noncommercial stations in Florida, only 22 public broadcasting stations are eligible to receive state financial assistance. These 22 public broadcasting stations comprise the Florida Public Broadcasting Program System (System). There are 11 public television stations and 11 public radio stations in the System (Appendix B).

The System was created under Chapter 73-293, Laws of Florida. The System is administered by the Department of Education pursuant to policies adopted by the State Board of Education, pursuant to Section 229.8051(1), Florida Statutes.

The five primary functions of the System are to:

1. Provide support for all educational and television stations broadcasting and receiving grants as of July 1, 1980;

2. Ensure that a quality public broadcasting capability is maintained for stations in the System;

3. Interconnect all System stations for simultaneous broadcasting as necessary for delivering programs;

4. Establish and maintain a statewide program distribution capability (facilities and staff) and strengthen existing or future educational television "...except that no systems or services will be created where there will be substantial duplication" of public television and radio stations receiving funds as of July 1, 1980, Section 229.8051(1)(d), F.S.; and

5. Provide programming funds for statewide and station productions that meet statewide priorities. "Station programming may include, but shall not be limited to, citizens' participation programs, music and fine arts programs, coverage of public hearings and governmental meetings, equal air time for political candidates, and other public interest programming," Section 229.8051(1)(e), F.S.

The 22 locally licensed public broadcasting stations and the Florida Public Broadcasting Service, Inc. comprise two major organizational components of the System. The Florida Public Broadcasting Service, Inc. (Corporation) is a corporation composed of and governed by station managers whose stations are members of the System. The Corporation is involved in the production and transmission of statewide public affairs programs to local stations. The production of public affairs programs is handled through a contractual agreement between the Department of Education and the Corporation. The Corporation uses the Capitol Technical Center to produce public affairs television documentaries and distributes them over a television satellite transmitter located in Tallahassee. Programs produced by the Corporation include **Florida Crossroads** and **Today in the Legislature**.

The Office of Public Broadcasting

The Department of Education's Office of Public Broadcasting is authorized to direct the System. The Office of Public Broadcasting is staffed by a Program Director and a full-time secretary. The Director of the Office of Public Broadcasting reports to the Director of Communications. The administrative costs to operate the Office of Public Broadcasting are financed by general revenue funds through the Department of Education. The administrative cost to run the Office of Public Broadcasting for the fiscal year 1986-87 was $108,519. According to the State of Florida Auditor General's 1988 Performance Audit on the System, the Office of Public Broadcasting is responsible for carrying out these specific functions (Pages 10-11):

1. Awarding and monitoring State programming grants (Florida Community Service Grants) to public broadcasting radio and television licensees;

2. Issuing and monitoring grants for the operation of Radio Reading Services;

3. Purchasing Statewide programming for public broadcasting radio and television licensees with the advice of station general managers;

4. Awarding State matching funds to stations that receive federal PTFP equipment grants;

5. Purchasing equipment for Capitol Technical Center and participating stations that receive State equipment appropriations;

6. Acting as a liaison to the Department of General Services and the Board of Regents in construction of public broadcasting facilities and for tax supported, nonprofit public broadcasting licensees, Section 229.805 (3)(c), Florida Statutes;

7. Supervising and monitoring the operation of the Capitol Technical Center; and

8. Supervising the State Satellite Network.

The Office of Public Broadcasting receives a direct appropriation annually from the Legislature to implement the System (Appendix C). The funds support two major functions of the System--operations and facilities. In 1987, Florida ranked 16th nationally in total public broadcasting state appropriations with $14 million. State funding for the System in 1988 and 1989 totaled $9.5 million and $12.2 million, respectively. Comparable funding data from other states was not available for 1988 or 1989.

Florida Public Broadcasting Program System Operational Support

System operational support falls into three different categories: operational support to System radio and television stations in the form of Florida Community Service Grants; financial assistance for statewide programming which includes public affairs and cultural programming (including coverage of the legislative session); and operational support to System stations providing Radio Reading Services for the Blind.

According to the Office of Public Broadcasting, the Florida Community Service Grant is a vital funding mechanism for providing high quality in public broadcasting. These grants are seen as a way to help build and strengthen local public radio and television stations. The primary concept behind the Florida Community Service Grants is that the local stations are the building blocks of a strong system; therefore, direct, unrestricted grants should go to the stations in order to nurture station creativity and to enhance local production capabilities. The Office of Public Broadcasting believes that its decentralized state system of public broadcasting is superior to those in neighboring states because of the bureaucratic complexities and limitations that a centralized system imposes upon local stations.

Florida Community Service Grants (FCSGs) comprise the largest portion of the legislative appropriation for operations (Table 2). Since 1985, $20.3 million or 91 percent of the funds have gone to provide System stations with FCSGs. There is no formal, written procedure by which Florida Community Service Grants are distributed among System stations. The Director of Public Broadcasting consults with System station managers to decide how the funds will be divided between the public radio and television stations. In 1977, eight percent of the CSGs went to System radio stations and 92 percent went to System television stations. Today, Florida Community Service Grants are distributed by a process which parallels the CPB allocation ratio. The CPB ratio recognizes that television stations are more expensive to operate. As a result, System television stations receive 85 percent of the Florida Community

Service Grants while System radio stations receive 15 percent. The 85 percent for television stations is then equally divided among System television stations and the 15 percent allocated for radio stations is equally divided among the System radio stations. No more than 25 percent of an individual Florida Community Service grant funds can be used to purchase equipment.

TABLE 2

STATE FUNDS APPROPRIATED FOR SYSTEM STATION OPERATIONS

FISCAL YEAR	FLORIDA CSGs	STATEWIDE PROGRAMMING	PUBLIC AFFAIRS DOCUMENTARIES	BLIND SERVICES	TOTAL
1985-86	$ 6,514,039	$279,236	$204,383	$138,943	$ 7,136,601
1986-87	6,742,030	295,055	205,491	143,806	7,386,382
1987-88	7,118,726	312,489	208,579	149,702	7,789,496
TOTAL	**$20,374,795**	**$886,780**	**$618,453**	**$432,451**	**$22,312,479**

Source: Florida Office of the Auditor General, 1988 System Performance Audit.

The Office of Public Broadcasting equally distributes Florida Community Service Grants in order to provide <u>assistance</u> and not total support to eligible stations. Each eligible television station received $605,264 and each radio station received $116,521 for 1989-90. Florida Community Service Grants averaged approximately 16 percent of the System television stations' revenue sources. However, there is wide variation in the source of revenue support that is provided for each individual station (Appendix D). For example, Florida Community Service Grants comprised only five percent of Miami's WPBT-TV source of income while totaling almost 39 percent of Pensacola's WSRE-TV income sources.

Some concern has been raised over the informal process of <u>equally</u> distributing Florida Community Service Grants to eligible stations. Those in favor of the equal allocation say that this method avoids political fighting among the stations and promotes long-range planning. On the other hand, there are those who say that the equal distribution of grants does not take into consideration the size of the stations or the diversity of the audiences. Also, the equal distribution method does not permit the use of incentive grants for rewarding stations with outstanding fundraising efforts. An alternative to the present process of equal allocation, is an award of FCSGs according to a formal, disbursement formula which is based upon some relevant criteria such as a percentage of stations' subscriber support or size of stations' audiences.

There seems to be little controversy surrounding how the remaining eight percent of System funds are appropriated. Funding for public affairs documentaries has comprised approximately two and one-half percent of the total operational appropriations since 1985. Funds for public affairs documentaries primarily cover costs associated with broadcasting the annual and special legislative sessions. Four percent of the state funds appropriated for System operations go toward statewide public broadcasting programs for System television and radio stations. Statewide programming grants are used to provide statewide governmental affairs and cultural affairs programming. Finally, there are three stations which administer radio reading services for the blind. Only two percent of the total System operation monies have gone to fund the Radio Reading Services for the Blind.

Other State Funded Operational Support

Another means of operating support for System stations is provided through funding which comes from the internal budgets of university and community colleges. There are five System television stations and seven System radio stations that receive support for station operations from higher education institutions. System stations and their level of institutional support for 1987-88 are:

TABLE 3

STATE INSTITUTIONAL SUPPORT FOR SYSTEM STATIONS 1987-88 FY

STATION	INSTITUTION	AMOUNT	% OF STATION BUDGET
WSRE-TV	Pensacola Junior College	$ 356,484	26%
WFSU-TV	Florida State University	586,885	26%
WUFT-TV	University of Florida	537,311	23%
WUSF-TV	University of South Florida	455,368	21%
WSFP-TV	University of South Florida	114,505	24%
WFSG-TV*	Florida State University	0	0%
WUFT-FM	University of Florida	$ 443,549	48%
WUWF-FM	University of West Florida	241,487	41%
WKGC-FM	Gulf Coast Community College	135,033	39%
WQCS-FM	Indian River Community College	185,824	36%
WFSU-FM	Florida State University	186,541	27%
WUSF-FM	University of South Florida	245,777	14%
WSFP-FM	University of South Florida	43,052	11%

*Translator Station under Florida State University.

Source: Florida Department of Education, Office of Public Broadcasting.

The State of Florida also provides funding for facilities. According to the 1988 Auditor General's performance review of the System, over $42 million has been appropriated for public broadcasting buildings and major equipment purchases since 1975. Most of the capital funding was appropriated in the late 1970s and early 1980s as public broadcasting stations experienced a period of growth. Funding requests for public broadcasting facility and major equipment needs are financed out of Florida's single bonding authority for education. As a result, public broadcasting capital requests are in competition with other educational entities. Station managers stay active in lobbying for public broadcasting capital appropriations. The lobbying efforts of station managers are coordinated by the Office of Public Broadcasting.

The Department of Education also allocates general revenue funds in the form of grants for purchasing public broadcasting equipment for System stations and the Capitol Technical Center. Sometimes the Department of Education's broadcast equipment grants are matched by the NTIA's grant program. For 1987-88, the NTIA awarded $418,349 to four stations in Florida, with the Department of Education matching that sum with $259,949 in general revenue.

Other Revenue Sources for System Stations

A national trend is mirrored in Florida as direct public support for System stations plays an increasingly important role in sustaining station operations (Table 4). For System television and radio stations alike, direct public support is the largest source of revenue. Viewer support through fundraising efforts and corporate sponsorship of programs are the largest components of direct public support. Approximately 30 percent of total revenues for System radio and television stations are from direct public support. However, the range for direct public support for television is widely spread. WSFP-TV has 71 percent of total revenues coming from direct public support while WUSF-TV has only three percent of total revenues originating from direct public support. For System radio stations, the range of direct public support as a percentage of total revenues is as high as 56 percent at WXEL-FM and is as low as seven percent at WFSU-FM.

TABLE 4

SYSTEM REVENUE SOURCES FOR THE 1987-88 FY

SOURCE	RADIO AMOUNT	RADIO % OF TOTAL	TELEVISION AMOUNT	TELEVISION % OF TOTAL
Florida CSG	$ 1,103,000	13.6%	$ 6,015,720	16.0%
OCO/State Funds	39,349	.5%	285,374	.8%
CPB/CSG	1,602,414	19.8%	5,310,769	14.1%
OCO/NTIA	-0-	-0-	526,761	1.4%
Institutional	1,681,363	20.7%	3,249,043	8.6%
Direct Public Support	2,336,421	29.2%	12,220,099	32.5%
Contracts, Special Projects	309,493	3.8%	6,665,815	17.7%
Other	1,005,983	12.4%	3,364,468	8.9%
TOTAL	**$ 8,105,026**		**$37,638,049**	

Source: Department of Education, Office of Public Broadcasting.

Future Development of the System

Florida's population is expected to increase at an average annual rate of 200,000 to 250,000 people until the year 2000. The demographic constituency grows even more diverse in terms of race, ethnicity, culture, and age. As Florida communities reflect these population changes, System public broadcasting stations are responsible for monitoring and adapting to community issues. One of the mechanisms for ensuring that community programming preferences are being met is through the community advisory board. Only CPB qualified community licensed stations are required to have community advisory boards, Federal law (s. 396(k)(9), Title 47, United States Code). In Florida, all System stations have community advisory boards except five institutional stations: WQCS-FM, WUFT-TV, WUSF-TV/FM, and WUWF-FM. Institutional licensed stations are not required by the CPB to have community advisory boards.

A community advisory board is composed of local citizens who reasonably represent the diverse programming needs and interests of the community. Their role is to advise station management whether programming goals, services, and

policies are being met by the station. For a community advisory board to be effective, it should meet regularly and frequently, it should develop written rules defining functional responsibilities and administrative procedures, and it should conduct its meetings in open, public forums.

System stations also assess community programming needs using a variety of other mechanisms. The methods most frequently used by System stations are unsolicited community input, ratings services, issues lists (required by all FCC licensed public broadcasting stations), fund-raising drives, and community outreach efforts. As community needs are determined, station programming should reflect these interests.

A major issue that has emerged in Florida during the past few years is how to determine whether new or existing public broadcasting stations should be included as part of the System, thereby enabling the new additions to be eligible for state financial assistance. The Office of Public Broadcasting has the authority to determine if public broadcasting stations should become members of the System. The present criteria used by the Office of Public Broadcasting to determine if public broadcasting stations should become members of the System are: (1) the public broadcasting station must be CPB qualified, and (2) the public broadcasting station must meet the requirements set forth in Section 229.8051(1)(d), F.S., which states that no public broadcasting "systems or services will be created where there will be a substantial duplication" of System stations in existence as of July 1, 1980.

In 1989, the National Telecommunications Information Agency (NTIA) reported in a study on public broadcasting coverage that 99 percent of Florida's population receives a public television signal from CPB qualified stations (Appendix E). This signal coverage leaves approximately 77,000 people in small pockets throughout Florida with no broadcast service. Similarly, 93 percent of Florida's population receives a public FM radio signal from NPR member stations (Appendix E). There remains approximately 635,000 people scattered throughout four regions of the state who do not get a signal from a public FM radio station. NTIA concluded that the future expansion of public broadcasting in Florida could be done economically without full-service, "stand-alone" stations. The NTIA recommended that present technology such as repeater or satellite stations could be used in innovative ways to provide cost-effective service to unserved areas of Florida.

Since 1980, Florida has made use of the System repeater stations to provide public broadcasting service where there was little or no previous coverage. The three most recent stations added to the System are: WFSG-TV in Panama City and WSFP-TV/FM in Ft. Myers. WFSG-TV went on the air in February of 1988. It is a translator station which rebroadcasts the signal from its licensee, Florida State University. It was determined that WFSG-TV would provide service to an unserved area and would not conflict with Florida Statutes.

WSFP-TV/FM began as translator stations which rebroadcast the signals of its sponsor station, WUSF-TV/FM, University of South Florida. It was determined that WSFP-TV/FM signal area would overlap some of WEDU-TV's broadcast signal in Tampa. However, there was no "substantial" signal overlap between WSFP-TV and WEDU-TV as determined by the Office of Public Broadcasting. WSFP-TV/FM

are now fully independent broadcast stations that received their first Florida Community Service Grants during the 1988-89 FY.

There have been attempts in recent years to clarify or change the criteria for determining if public broadcasting stations should become members of the System. In 1988, the Office of the Auditor General conducted a performance audit of the Public Broadcasting and Program System. The Auditor General's office analyzed engineering studies provided by CPB and determined that some state funded public broadcasting stations substantially duplicate the signal coverage of other state funded stations. The Auditor General report made specific references to two state funded stations in Tampa and two state funded stations in Miami. The Auditor General concluded that Section 228.8051, F.S. and Department of Education policy did not provide "clear and compatible intent regarding duplication of public broadcasting services." The Auditor General recommended that the Legislature amend Section 229.8051, F.S. to clarify the term "substantial duplication."

During the 1989 legislative session, House Bill (HB) 471 was introduced to amend Section 229.8051(1)(A), F.S. The bill stated that any Florida public broadcasting station which was qualified to receive the Corporation for Public Broadcasting Community Service Grants as of July 1, 1989 would also be eligible for state support. The amendment would "grandfather" in two additional public broadcasting stations into the System: WCEU-TV, Daytona Beach and WMNF-FM, Tampa. The House staff analysis stated that HB 471 "effectively changes the philosophy of the State of Florida...as it relates to the creation and support of public radio and television stations." In summary, HB 471 would have authorized the Department of Education to allocate approximately $715,000 in state funds for an additional public television station and public radio station in areas where there was already substantial signal coverage as determined by the Office of Public Broadcasting. House Bill 471 failed to pass during the 1989 Legislative Session.

The issue of funding for non-System stations arose again in June 1989. Governor Martinez vetoed the proviso language in Specific Appropriation 348, which appropriated community service grants for WCEU-TV (Daytona Beach) and WMNF-FM (Tampa). The Governor's veto message stated:

> "funding for these stations was not requested by the Department of Education, and because of signal overlap with existing stations, state-level monetary support for these stations conflicts with the intent of section 229.8051(1)(d) and section 229.805(3) (c), Florida Statutes which state that "no new system shall be funded where the result thereof is a substantial duplication of any system..." (p. 6)

There are several questions associated with the expansion of the Florida Public Broadcasting Program System. Does the criteria for funding Florida public broadcasting stations need to be clarified or changed? Given the present funding situation, can Florida afford to provide state assistance to new public stations whose signals substantially overlap with present System stations? Should new public broadcasting stations who are not members of the System, but meet community public broadcasting needs, be deprived of state assistance because of present statutory requirements? Are existing System members and the Department of Education exhibiting a "pulling up the ladder" position because the inclusion of future public broadcasting stations may

dilute System allocations? Given the existing high percentage of signal coverage and overlap in Florida, should the state expansion philosophy be to fund only rebroadcast stations that will provide public broadcasting signals to unserved areas of Florida?

The purpose of this study was to review existing policies and procedures of the System that affect programming, funding, and expansion issues. Interviews were conducted with interested parties throughout the state to better understand the questions at hand. Also, a consultant was contracted to assist the Commission in addressing the issues brought forth in the literature review.

IV. ANALYSIS OF PUBLIC BROADCASTING POLICIES AND PROCEDURES

Interviews and Public Testimony

In order to collect comprehensive information relating to policies and procedures of the Florida Public Broadcasting Program System (System), the Commission conducted interviews and received public testimony during the months of September, October, November, and January. Discussions were held with the Director from the Office of Public Broadcasting, representatives from System stations, and representatives from non-System stations. Letters were also collected which explained various viewpoints of interested parties.

The research questions which guided the interviews and the discussions were as follows:

1. What policies and procedures are used to determine if new public broadcasting stations should become part of Florida's public broadcasting System?

2. How do stations whose broadcast signals overlap handle programming duplication or programming conflicts?

3. What process(es) should the Office of Public Broadcasting use to allocate Florida Community Service Grants?

4. What effect has the increased support from private supporters and subscribers had upon station operations such as staffing patterns and programming decisions?

5. How has cable television affected your public television station's viewer support? Subscriber support? Programming decisions?

6. What is your level of satisfaction with the present interconnection system in Florida? What changes, if any, should be made?

Policies and Procedures

The Department of Education's Office of Public Broadcasting is responsible for administering Florida's System of public broadcasting. According to the Director, the Office of Public Broadcasting has no formal written policies or procedures to carry out its responsibilities. The Director relies on Section 229.5081, F.S., to administer the System. When asked what informal procedures are followed to determine if new public broadcasting stations should become part of the Florida System, he responded that new stations must meet two criteria: (1) public broadcasting stations should be qualified by the Corporation for Public Broadcasting, and (2) public broadcasting stations broadcast signals should not substantially overlap the signals of existing System stations. There are no formal definitions which specify how much signal overlap is considered substantial. If the Director determines from looking at FCC broadcast coverage maps that signal overlap with System stations is substantial, then the Department of Education does not recommend state funding for the new station.

The Office of Public Broadcasting has consistently used Section 229.8051, F.S., to determine if public broadcasting stations are eligible for state funding. The statute states that no new public broadcasting service should receive state funds "where there will be a substantial duplication of any system" station receiving funds as of July 1980. The current Director of the Office of Public Broadcasting was involved in the original drafting of Section 229.8051, F.S. The Director maintains that the original intent was clear in that "substantial duplication" means substantial duplication of broadcast signal and not duplication of programming.

Interviews with representatives from non-System public broadcasting stations offered a different interpretation of Section 229.8051, F.S. Representatives from WCEU-TV New Smyrna Beach, and WMNF-FM Tampa, believed that "substantial duplication" refers to duplicating programs within the same market area and not to overlapping signals. They pointed out that there are at least four System public broadcasting stations whose signals substantially overlap and these same System stations receive state funds. However, representatives from WCEU-TV and WMNF-FM pointed out that those System stations whose signals overlap do not duplicate programming. One representative from a non-System public broadcasting station commented that the present methods to determine state funding eligibility of new public broadcasting stations seemed "arbitrary" and lacked an objective set of criteria under which all public stations should be treated fairly and equally.

Signal Overlap and Programming Duplication

Representatives from System public broadcasting stations approved of the Office of Public Broadcasting's process for including new public broadcasting stations as part of Florida's System. The Commission was especially interested in determining how System stations avoid programming duplication and programming conflicts since two System television stations in Tampa have substantial overlapping signals and two System television stations in Miami have substantial overlapping signals. This same issue was addressed in the 1988 Auditor General's report on the **Florida Public Broadcasting and Program System**. Station representatives reported that close communications between station general managers is essential to avoid programming conflicts and unnecessary competition between System stations. The general managers from the two Tampa stations reportedly meet regularly to discuss programming duplication. Each general manager estimated that less than 30 percent of their programs are duplicated. General managers from the two Miami stations explained that their stations have totally different missions. One station centers its programming around instructional programs while the other station focuses its programming on traditional public broadcasting programs. Commission staff reviewed September Program Guides for the two Tampa stations and the two Miami stations and found little program duplication.

Community Service Grants

The Office of Public Broadcasting is responsible for distributing Community Service Grants (Grants) to System public broadcasting stations. The Grants are appropriated by the legislature to provide general operating assistance to System public broadcasting stations. The Office of Public Broadcasting does not have a formal written procedure to distribute the Grants. The Grant

distribution process is informally agreed upon by System stations and provides for equal size grants between all television stations and equal size grants between all of the radio stations. There was nearly unanimous agreement among System stations that equal allocations provide parity so that each station can serve its community with the highest quality of programming.

Only one System station disagreed with the equal allocation of Grants. The dissenting station submitted an alternative proposal which would utilize a formula to distribute the Grants. The formula would be based upon criteria such as the number of citizens in each station's coverage area and the number of non-federal funds raised by each station. The implied policy directives behind the formula proposal were to reward stations with the largest viewing areas and to provide an incentive for stations to raise funds.

The formula proposal was strongly rejected by other System stations. Even stations that would receive more state funding under the new formula proposal did not favor its implementation. A vote taken by station representatives revealed that 21 out of 22 stations endorsed the present equal allocation process. Many stations reasoned that the formula proposal would upset the balance of decision making among System stations. Others cited that smaller stations in rural parts of Florida and stations sponsored by educational institutions would be disadvantaged by the formula proposal.

Private Support and Fund Raising

Stations in Florida's System of public broadcasting have experienced increased growth in private support during the 1980s. Most of this support is reflected in efforts to increase station memberships among viewers. Station representatives reported that funds collected through fund raising activities were used to acquire programs, purchase new equipment, maintain old equipment, and support development activities. Community licensed stations expressed more dependence upon private support through fund raising activities than public broadcasting stations licensed through educational institutions. Representatives of System stations agreed that viewer's were encouraged to express programming opinions during fund raising activities, but that actual programming decisions were ultimately left to station management.

Cable Television

Representatives in Florida's System of public broadcasting reported positive working relationships with local cable operators. Several stations whose broadcast channels are on the UHF band expressed that cable improved signal reception and increased viewers. However, there was general concern among station managers that the cable industry is unregulated by the federal government. Local cable operators control what stations are to be carried and where they will be located on the cable channel. One station manager remarked that if his station was to be dropped from the cable system or have its channel positioning changed, there would be "drastic effects on both viewers and subscribers of the station." In addition, general station representatives acknowledged that cable television offered more competing channels of programming, but that the competition did not significantly affect station programming decisions.

Interconnection System

Florida's System of public broadcasting stations is comprised of locally licensed and managed stations which can be linked together by satellite and deliver programming of a statewide interest. The satellite interconnection system is operated by the Office of Public Broadcasting. Interviews conducted by the Commission indicated overwhelming support for the existing interconnection system. Many System managers expressed that Florida's interconnection system is a model for the rest of the nation. System stations have the best of both worlds in that each station determines its local programming schedule, but can also air statewide public interest programs simultaneously with other Florida stations. The only improvement suggested by the managers was the purchase of a portable satellite uplink truck so that broadcasts could originate from any one of Florida's System stations.

Consultant's Report

Mr. David Brugger, former Senior Vice President of the Corporation of Public Broadcasting and current President of the National Association of Public Television Stations, was engaged as a consultant to assist the Commission in examining the policies and procedures of the Florida Public Broadcasting and Programming System (System). Mr. Brugger is respected nationally for his broad knowledge of public broadcasting, especially as it relates to public policy and governmental relations. He has 23 years of public broadcasting experience in production, operations, programming, and management at the local, state, and national level. Mr. Brugger is also familiar with Florida's System of public broadcasting since he served as general manager of public broadcasting stations WUFT-TV/FM for nearly four years. Mr. Brugger was highly recommended as a consultant by System and non-System representatives.

Mr. Brugger was asked to examine Florida's public broadcasting policies and procedures from a national perspective. The consultant was provided with with the Commission's public broadcasting background paper, a legislative history of Florida public broadcasting, the 1987 Auditor General's report on Florida public broadcasting, and written responses from System and non-System station managers. From Mr. Brugger's vast knowledge of public broadcasting, he was asked to address six issues affecting policies and procedures of Florida public broadcasting:

1. How well does Florida's television interconnection system meet the State's public broadcasting needs?

2. How has cable television affected Florida's public television stations in terms of broadcasting coverage, program competition, and viewer support?

3. How should the future growth of Florida's public broadcasting System be determined--by lack of signal coverage (unserved areas) or by unmet programming needs?

4. How should State Government best ensure the accountability of State funds used by Florida's public broadcasting stations?

5. How should State financial support be allocated to Florida's public broadcasting stations?

6. What is the proper role of fund raising and corporate contributions in support of Florida public broadcasting station operations?

The consultant's report was presented to the Program Committee on January 4, 1990 (Appendix F). Mr. Brugger described the questions posed to him by the Commission as operational rather than policy questions. He stressed that his report would reflect his thoughts from a policy perspective rather than an operational viewpoint.

Mr. Brugger first examined the legislative history of public broadcasting in Florida. He determined that the Legislature had been steadfast in its support of public broadcasting facilities and services. He also found through his research that the State was willing to fund the delivery of educational, arts, and public affairs programming through public broadcasting. By 1980, Mr. Brugger noted that the Legislature was concerned about the overbuilding of facilities and began to limit support for public broadcasting to existing System stations. The Legislature also left open the question of the State supporting more than one service in the same broadcast area if that second service was "distinctly different." This question was exemplified by the State funding multiple services in Tampa and in Miami.

From the legislative review, Mr. Brugger was most concerned about the lack of direction in what the State wants to accomplish through telecommunications services. Past legislation has failed to provide a planning perspective that would deal with the rapid changes in telecommunications technologies and Florida's population explosion. Based on his legislative analysis and the written materials provided by the Commission, Mr. Brugger concluded that the State should determine what telecommunications services are needed by its citizens and to provide a comprehensive telecommunications policy based on those needs.

Mr. Brugger offered several recommendations for the Commission to consider. He suggested that a task force be convened to study and determine the telecommunications needs of Florida's citizens. The task force should be composed of leaders in public broadcasting, education, private business, libraries, and the Legislature. Mr. Brugger also suggested that Florida might investigate what other states are doing to cope with similar problems. He described several innovative examples of telecommunications services, like long distance learning programs, cassette tape instruction, teleconferencing, and interactive math, science and foreign language instruction being planned or implemented in other states.

After Mr. Brugger set the policy framework for his report, he proceeded to answer the six questions the Commission had asked him to address. Mr. Brugger responded to the interconnection question by referring to the State's lack of a comprehensive policy for providing telecommunications services. Specifically, the consultant determined that Florida cannot adequately evaluate the usefulness of its existing interconnection system without defining what types of telecommunications services the State will provide for

its citizens in the coming years. Once these services are defined, then an accurate assessment of the interconnection system can be made.

Secondly, Mr. Brugger addressed the effect of cable television upon various aspects of public television. He instructed the Commission that the cable television is a telecommunications industry which bases its success on profits. With this in mind, Mr. Brugger suggested that the State not permit its services to depend solely upon external delivery systems which are capable of thwarting the public's access to those services.

Mr. Brugger addressed the third question which asked how the future growth of Florida public broadcasting System should be determined. Again, the consultant suggested that the Commission look at this question from a policy perspective. Mr. Brugger stated that "...Florida needs to decide what services are in the best future interests of the state, and to what extent it sees itself as a partner in the development of those services." Deciding what future telecommunications services the State supports should be based upon a needs assessment of Florida's citizens. The consultant suggested that a thorough examination of existing telecommunications technologies is necessary to determine what possibilities exist for Florida's citizens. Finally, Mr. Brugger recommended that statewide telecommunications policy objectives should be established and funded by the State. The type of funding process that is appropriate will depend upon what the State of Florida wishes to accomplish through its telecommunication policy.

The Commission's fourth question asked how State government could best ensure the accountability of State funds used by public broadcasting stations. Mr. Brugger stated that "there is probably no more accountable tax-supported institution than public broadcasting." He emphasized that the finances of Florida's public broadcasting stations stations are audited every year. Stations must also maintain a list of the most relevant community issues for the Federal Communications Commission and demonstrate that station programming addresses those issues. Mr. Brugger concluded that there is no need for the state to have a formal verification process to match community programming needs with station programming efforts because such an endeavor would be "bureaucratic, duplicative, and burdening to an institution already burdened by inadequate funding." The consultant recommended that government only use financial audits to account for the use of state funds by System public broadcasting stations.

Finally, Mr. Brugger addressed the two financial questions with a combined response. He succinctly advised the Commission that the "allocation of state funds and the role of fund raising must be related to what the State is intending to accomplish with its funds." He stated that the present process of allocating community service grants into equal amounts for each public television station and each public radio station provides for equal services to all Floridians wherever they live within the state. The present process enables the public television station in Pensacola to purchase the same programming as the public television stations in Miami. However, if the State wants to change the equal allocation process, then Mr. Brugger suggested that the distribution of funds should be based upon whatever telecommunications policy the State wants accomplished.

The staff interviews, public testimony, and consultant's report registered a need for a clear, comprehensive, telecommunications policy for the State of Florida. A comprehensive telecommunications policy would enable the State to utilize more fully its highly respected public broadcasting System. A comprehensive telecommunications policy would also provide State government with a set of cost effective, integrated recommendations with which to plan for the next decade. Technological developments in the telecommunications industry could be monitored and matched with the needs of Florida's increasing, and diverse population.

V. ISSUES AND RECOMMENDATIONS

Based on the background information, public testimony, and the consultant's observations, the Commission arrived at the following conclusions.

State Policy and Public Broadcasting

The explosive growth and development of telecommunications during the 1980s have enhanced state government's ability to provide services to its citizens. Teleconferencing over the State Satellite Network enables educational institutions to deliver at low cost instructional and professional development services to different regions of Florida. The increased ownership of video cassette recorders has made video cassettes an accessible instructional tool. FAX machines send printed information from state offices in Tallahassee to agency locations all over the state in minutes. The dynamic technological changes that have taken place during the last decade are continuing to transform how Floridians view telecommunications services provided by the state.

The State of Florida uses public broadcasting as a telecommunication service to improve the cultural and educational lives of its citizens. Locally licensed stations which are qualified by the Corporation for Public Broadcasting (CPB) and which meet statutory requirements are eligible to receive state funds in the form of Florida Community Service Grants. Stations that receive Florida Community Service Grants comprise the Florida Public Broadcasting and Programming System (System). Because System stations are locally licensed, the individual stations are responsible for scheduling and broadcasting programs. System stations also receive state funds to produce and broadcast statewide public interest programs such as **Today in the Legislature** and **Florida Crossroads**.

The Commission found through its discussions with national leaders in the public broadcasting profession that the Florida System of public broadcasting is respected throughout the country. The System has a strong reputation among other state systems for its quality programming and decentralized interconnection system. Florida's System has also been recognized as a leader in providing a variety of public broadcasting services to its citizens.

Nearly every citizen in the state of Florida is within reach of a public broadcasting signal. A 1989 federal study conducted by the National Telecommunications and Information Agency (NTIA) concluded that Florida has physically covered most of its population with public broadcasting services. Public television broadcasting signals reach 99 percent of Florida's population while 93 percent of Florida's population is within reach of an FM public radio signal. There are two CPB-qualified stations included in the NTIA study which are not part of the state System of public broadcasting stations-- WCEU-TV, New Smyrna Beach and WMNF-FM, Tampa. These two non-system stations do not receive state community service grants or state grants for equipment. Given the widespread signal coverage of public broadcasting stations and the rapid development of telecommunications technology, the state must consider how to proceed in funding the future development of public broadcasting in Florida.

Present expansion of the state's public broadcasting System is limited by State law and Department of Education policy. Section 229.8051, F.S., provides that no public broadcasting systems or services will be funded by the State where there will be a substantial duplication of any station receiving funds as of July 1980. While there are no formal, written policies in place, the Department of Education's Office of Public Broadcasting also informally requires that public broadcasting stations be qualified by the Corporation for Public Broadcasting (CPB) in order to become part of the System and to receive state funds. Thus, to be part of the state System of public broadcasting and be eligible for state funding, a public broadcasting station must be CPB qualified and not substantially duplicate existing System stations.

The Commission determined through public testimony that the public policy applications of Section 229.8051, F.S., are imprecise and inconsistent. The law's inadequacy to address the future development of public broadcasting in Florida was recently demonstrated when a new public television serving Volusia and Flagler counties sought state funding. The public television station in question was WCEU-TV and licensed to Coastal Educational Broadcasters, Inc., New Smyrna Beach, Florida. WCEU-TV went on the air as a CPB qualified public television station in 1988 and, as previously mentioned, was included in the NTIA study of public television coverage in Florida. WCEU-TV provides an array of cultural, educational, and information programming. The station is especially committed to broadcasting instructional and public affairs programming that mirrors the interests of viewers in its local coverage area. The broadcast signal of WCEU-TV provides first service to approximately 30,000 residents in north Volusia and south Flagler counties who previously did not receive a public television broadcasting signal.

In order for WCEU-TV to obtain state funding, the station had to be CPB qualified and meet the "substantial duplication" test of Section 229.8051, F.S. The substantial duplication test states that no new public broadcasting service is eligible to receive state funds "where there will be substantial duplication of any system" station receiving state funds as of July 1980. The Commission found the phrase "substantial duplication" to be vague because it did not specifically refer to signal duplication or program duplication. The statute also failed to define how much duplication was deemed "substantial."

The Commission sought clarification of the statute from the Department of Education. The Department of Education's Office of Public Broadcasting has the legal authority to enforce the statute's language. The Office of Public Broadcasting has consistently interpreted "substantial duplication" to mean a substantial duplication of broadcast signal from System stations. The current Director of the Office of Public Broadcasting maintains that the original intent of the 1980 Legislature was to use substantial duplication of broadcast signal in determining state funding eligibility. The Office of Public Broadcasting concluded from viewing FCC coverage maps that the broadcast signal of WCEU-TV substantially overlapped the broadcast signal of WMFE-TV in Orlando. Since WMFE-TV in Orlando is a System station, it was determined by the Office of Public Broadcasting that WECU-TV was not be eligible to receive community service grants or to participate in the Florida System of public broadcasting.

Through interviews conducted with System station managers and non-System station managers, the Commission further determined an inconsistency in the policy application of Section 229.8051, F.S. Contrary to what the statute prohibits for new public broadcasting stations, the State provides Community Service Grants to System stations with overlapping broadcast signals within Tampa and within Miami. Specifically, the State of Florida provides grants to two System television stations in the Tampa area whose signals overlap 100 percent. The State also provides community service grants to two System television stations in the Miami area whose signals overlap 100 percent. The reason these stations receive community service grants is that they were "grandfathered" in with the passage of Section 229.8051, F.S., in 1980.

However, the Commission questioned the consistency and cost effectiveness of the statute's policy applications if the state was funding identical public broadcasting services in the same broadcast service area. This issue was also addressed in the 1988 Auditor General's performance audit of the Public Broadcasting and Program System. Station representatives from the Tampa and Miami areas were questioned about providing the same programming services within the same broadcast service areas. Representatives from the Tampa television stations responded that they meet formally on a regular basis to discuss programming duplication. They estimated that less than 30 percent of their programming services were duplicated. Representatives from the Miami television stations responded that they meet informally and less frequently to discuss programming duplication. Nevertheless, both Miami television station representatives explained that there was little programming duplication between their stations because of the distinctly different missions of their television stations. It was evident from the interviews and a review of station program guides that System stations whose broadcast signals substantially overlap avoid duplication of program services.

Herein lies the inconsistency of the statute. The State funds System public broadcasting stations whose signals substantially overlap simply because they were "grandfathered" in 1980. There is no specific policy reference in the statute that explains why System stations with substantial overlapping signals should be funded by the State. On the other hand, new public broadcasting stations that provide distinct programming, but whose broadcast signals substantially overlap with System stations, are not eligible for state funds. Again, there is no specific policy reference in the statute that explains why new public broadcasting stations should receive or not receive state funding assistance. In essence, the substantial duplication test does not equally apply to existing System stations as it does with new public broadcasting stations. By funding System stations whose signals substantially overlap in Tampa and Miami and not funding WCEU-TV in New Smyrna Beach, the State has created a system of "haves and have nots" in public broadcasting. The Commission finds that Section 229.8051, F.S., lacks a clear, rational policy objective for the future development of public broadcasting in the State.

The Commission believes that state guidelines for funding any public broadcasting station in Florida should be clear, consistent, and reflect current technological advances in the telecommunications industry. The policy directives of the present law do not provide a comprehensive telecommunications policy for Florida as it approaches the 21st century. For example, Section 229.8051, F.S., fails to consider the large growth of cable

television subscribers who view television programming over cable service rather than a television broadcast signal. The statute also fails to specifically address the potential use of the state's interconnection system and System public broadcasting stations as educational telecommunication tools for providing distant learning opportunities to Florida's diverse population. Based on the ambiguous policy intentions of Section 229.8051, F.S., and the statute's failure to address current technological advances in telecommunications, the Commission finds no rational reason for either funding or not funding new, CPB qualified public broadcasting stations that provide a distinct public service to previously unserved areas of the state. The Commission concurs with the recommendations of the 1988 Auditor General's report which state that the Legislature should clarify the term "substantial duplication" to outline the policy applications of Section 229.8051, F.S., (Appendix G).

The Commission enlisted the services of Mr. David Brugger to assist in conducting the study. Mr. Brugger is former Senior Vice President of the Corporation for Public Broadcasting and currently serves as President of the National Association of Public Television Stations. After reviewing Florida's situation, he provided the Commission with his thoughts in writing and in person. The Commission agrees with the consultant's findings that the policies which guide the future development of Florida's public broadcasting service should answer two important questions: (1) what educational telecommunications services are in the best future interests of the State; and, (2) how does the State see itself as a partner in the development and delivery of those services. In essence, the consultant asks what statewide policy guides the development and funding of Florida's educational telecommunications services.

The Commission determined through its deliberations that the State of Florida does not have a comprehensive state policy to guide the future development of public broadcasting and other educational telecommunications services. The lack of a statewide policy has not deterred the State in its efforts to provide the citizens of Florida with educational, arts, and public affairs programs through public broadcasting. Nor has the lack of a statewide policy stopped the recent development of providing teleconferencing services through the State Satellite Network. The Commission questions the cost effectiveness of funding future educational telecommunications services without the guidance of a comprehensive state policy.

The 1982 **Master Plan for Florida Postsecondary Education** recommended that a statewide invitational conference be convened to discuss ways to ensure policy development for educational technologies such as computers and telecommunications technologies. Since 1982, there have been dynamic changes in the telecommunications industry which have drastically enhanced the quality and availability of these services. The state policy which guides the future development and use of educational telecommunications services in Florida will require a thorough survey of the latest technological advances as well as how other states are implementing educational telecommunications policies.

Recommendations:

1. **The Legislature should take immediate action to clarify the public policy directives of Section 229.8051, F.S.** The statute should be clarified in order to serve as a clear interim policy statement until such time as the task force identified in Recommendation two is prepared to submit its policy recommendations to the State Board of Education.

2. **A task force should be commissioned under the auspices of the State Board of Education to recommend a clear, comprehensive educational telecommunications policy for the State of Florida.** The task force memberships should include leaders from a broad spectrum of Florida's professional population. Task force members should represent professionals from the Legislature, the arts, business, public broadcasting, education, libraries, sciences, health, and agencies responsible for state telecommunications services. The task force should determine the State's future educational telecommunications policy based on the needs of Florida's citizens. Some of these telecommunications needs might include instructional programs aired over the public broadcasting system and supplemented with textbook assignments and course outlines from teachers; business training programs produced through higher education facilities, recorded on video cassettes, and financed by the private sector; and, computer technologies designed to provide interactive curricula for a variety of disciplines.

   Second, the task force should take advantage of work being done in these states and undertake a review of telecommunications services and capital investments being offered in other state systems. The Florida task force should use information obtained from other states to compare the feasibility of existing versus emerging technologies, to gather cost information on potential telecommunications services, and to gauge the base of support of the telecommunications services planned for those states.

   Third, the task force should examine if the State is maximizing its current investment in educational telecommunications services like public broadcasting, Instructional Television Fixed Service, and the State Satellite Network.

   Finally, the task force should compare existing educational telecommunications services with those services the State desires and make its policy recommendations to the State Board of Education within a reasonable period of time to complete its study.

The Interconnection System

The State of Florida not only provides funding assistance to System stations, but is also responsible for operation of the State's broadcast interconnection system. The interconnection system is the electronic linkage that permits

System stations to share programs of a statewide interest. The Florida system is distinguished as a decentralized system. System stations are locally licensed and managed, but the stations also have the capability to simultaneously broadcast programs when the programs are of statewide significance.

The results of interviews conducted with System station managers indicated a strong amount of satisfaction with the present interconnection system. Several station managers reported that the Florida interconnection system is a model for the rest of the nation. Florida's interconnection system permits each System station to determine its own mission and to maintain contact with the local community and regions it serves. On the other hand, System stations can be interconnected through satellite technology and assist the state by broadcasting programs of a statewide concern. The only change suggested by station managers was that the state purchase a portable satellite uplink truck so that the vehicle could be used by all stations for statewide broadcast from anywhere within Florida.

The consultant basically agreed with the positive assessment provided by System station managers. In his report, the consultant stated that the primary reason the interconnection system exists is to deliver services economically to a broad base of Florida's citizens. He further stated:

> The Florida system of stations offers the facility and personnel advantages of a decentralized system, each with their own mission to maintain contact with and serve, through their licensee, their local community and region. Florida also has the advantages of a centralized system interconnected by a state satellite system when needed and wanted, and a base for an extension of facilities and the addition of new services.

However, the consultant suggested that if Florida intends to continue to be a leader in providing state telecommunications services, then the state must fully utilize the many other technologies offered by public broadcasting. Broadcasting is only one telecommunications medium the State can utilize in fulfilling public service objectives. For example, some public broadcasting stations in Florida and other states produce video and audio cassettes for schools, homes, libraries, and the workplace; produce interactive videodisc series; produce computer programs and data resources to complement video courses; program cable channels; use master teachers for interactive satellite high school instruction; create computer data bases for community information and exchange among government agencies and businesses. Some of these alternative telecommunications services are presently provided by System stations and are more cost effective than using the broadcast medium to deliver these state services. Again, a statewide educational telecommunications policy can enhance the utilization of telecommunications services provided by System stations.

Recommendation:

3. The task force should examine as part of its study on educational telecommunications services the State's current investment in public broadcasting facilities, equipment, and

investment in public broadcasting facilities, equipment, and programming. Special attention should be given to the state's technical investments like the interconnection system, State Satellite Network, fiber optics, Instructional Television Fixed Service (ITFS), cable television, computers, and future technologies which will provide high quality, cost effective services to the citizens of Florida. These delivery services should be linked to specific policy objectives the State desires to provide to Florida's citizens.

Florida Community Service Grants

Florida Community Service Grants (FCSGs) are appropriated to System radio and television stations by the legislature as a means of general operating support. The Department of Education's Office of Public Broadcasting is responsible for allocating FCSGs to the local System stations. There is no formal, written procedure to direct the distribution of FCSGs. The FCSG distribution process is informally agreed upon by the stations and provides for equal size grants between all television stations and equal size grants between all radio stations. The television stations receive 85 percent of the FCSG allocation and radio stations receive the remaining 15 percent. This ratio also parallels the CPB allocation ratio in that television stations are more expensive to operate.

The consultant's report recommended that an analysis of the FCSG allocation process should include a determination of what the state is intending to accomplish with its funds. Section 229.8051 F.S., provides that financial support will go to maintain a quality broadcast ability for System stations and to fund System station programming. The State has deferred programming decisions to the local stations.

The Commission found through its interviews with System station managers that the present distribution process of FCSGs was highly regarded. The process reflects a philosophy of equality where the small rural communities of Florida can purchase and air the same high quality of programming as the large urban areas of the state. The FCSG distribution process also acts as an equalizer among station managers who work together on statewide projects.

Only one of the existing System stations was found to be dissatisfied with the present distribution process. This station prefers to distribute FCSGs according to a formula that is based primarily upon population service area and nonfederal funds raised by the stations. Stations in highly populated areas of the state as well as stations in economically affluent areas of the state would receive larger allocations. This "formula based" proposal met strong resistance among System station managers. A formal resolution adopted by System station managers revealed that 21 out of 22 stations endorsed the present equal distribution of FCSGs. System stations who would benefit greatly from the formula driven process alternatively chose instead to support the equal allocation process.

Florida Community Service Grants provide the largest source of state financial support for station operations. The Commission found that the equal distribution of FCSGs serves a useful purpose in assuring quality broadcast

capability for System stations in urban as well as rural regions of the state. However, the Commission is concerned that there is no comprehensive state policy or formal procedures which direct the allocation process of Florida Community Service Grants.

Recommendation:

4. **The Office of Public Broadcasting should draft a formal procedure for the allocation of Florida Community Service Grants and submit the draft to the State Board of Education for approval.** This allocation procedure is viewed as an interim process subject to change based upon policy recommendations of the task force.

Cable Television and Public Broadcasting

Cable television is a telecommunications technology where a large number of television broadcast signals can be delivered over a copper wire to thousands of individual subscribers. Cable television technology is an improvement upon broadcast signals because of the large number of channels it can accommodate and the exceptional reception it provides. Subscribers of cable television pay a fee for the cable service.

The Commission was interested in knowing what effect the cable industry had upon System viewer support and station programming. Interviews with System station managers indicated positive working relationships with their respective local cable companies. Several System station managers expressed that cable television has enhanced viewer and subscriber support because of better signal reception and wider signal coverage. The System station managers reported that programs offered on other cable channels did not pose a competitive threat to programming and rarely affected station programming decisions.

The only major concern expressed by System station managers reflects an issue which is being addressed on the federal level. Presently, there are no federal laws, regulations, or rules that require cable operators to carry public broadcasting programs. Cable operators are free to drop System stations from their cable channels or to move System channels to remote areas on the cable spectrum. The results of such decisions would have drastic negative effects upon public broadcasting stations according to System station managers.

The consultant's report suggested that the state monitor the development of the cable industry and its potential effect upon public broadcasting services:

> The financial success of cable is the result of charging line fees for delivery of broadcast signals to those who can afford to pay for that line and more for premium (movie, children's) channels. The more cable comes to depend on advertising dollars for its growth in revenues as it reaches its saturation point in physical growth, the more it tailors its programming to mass audiences and competes for commercial broadcast programming (e.g., sports).

He stressed that the State has public welfare interests which transcend the commercial interests found in the cable television industry. Therefore, he advised the State to proceed with caution and not allow the delivery of public services to depend solely on external delivery systems (like the cable industry) which can thwart the public's access to those services.

Recommendation:

5. **The Office of Public Broadcasting should do everything within its power to ensure that public broadcasting programming is carried on cable or other private telecommunications carriers.** The transmission of instructional programming, public service programming, or other state funded public broadcasting services over private telecommunications carriers like cable television should be closely monitored by the Office of Public Broadcasting so that the public's access to those services is not obstructed.

Accountability and Public Broadcasting Programs

As part of the public broadcasting study, the Commission questioned System station managers and the consultant on how the state can best ensure the accountability of state funds used by System stations. This is a complex issue because it involves federal regulations, constitutional law, and public services funded by the state.

In order to be licensed or have a licensed renewed by the Federal Communications Commission (FCC), all public broadcasting stations must generate a quarterly issues list that contains local issues to be addressed through station programming. System stations determine community programming needs by using a variety of methods including community surveys, ratings services, community advisory boards, and unsolicited comments from viewers and listeners. Stations must maintain this list of the most relevant community issues and demonstrate its performance to the FCC for license renewal. Qualitatively, System stations reserve the right under First Amendment protection to determine if the programming meets the needs of the local community.

The consultant cautioned the Commission to proceed carefully in defining accountability because that issue becomes "an unclear concept when it departs the financial area." Based on the consultant's years of regulatory experience at the federal level, he maintained that local System stations are the best vehicle for assessing whether the programming needs of the community are being met. He stressed that if a System station does not serve its community, then the lack of service would lead to diminished financial support from viewers, subscribers, and other station supporters. The consultant went further to suggest that a formal verification process by the State to determine if community programming needs are matched with station programming efforts is "bureaucratic, duplicative, and therefore burdening to an institution already burdened by inadequate funding." Finally, he concluded that "it should be self-evident that there is probably no more accountable tax-supported institution than public broadcasting."

Recommendations:

6. The State of Florida should continue to use financial audits to account for the use of state funds expended by System stations.

7. When the Legislature appropriates funds to System stations for specific services, the Legislature should provide clear public policy objectives to be accomplished with those funds.

APPENDIX A

CPB Qualification Criteria for
Television Community Service Grants

CORPORATION FOR PUBLIC BROADCASTING
1111 16th Sixteenth Street, NW
Washington, D.C. 20036

January 1988

Qualification Criteria for Television Community Service Grants

A. ELIGIBLE GRANTEE

For the purpose of this grant criteria statement, an "eligible grantee" shall be defined as a full power on-the-air (UHF or VHF) station operating under a noncommercial educational license granted by the FCC, which meets all the criteria set forth below.

B. CRITERIA

(1) **MANAGEMENT:** Each grantee must have a staff headed by a manager or other chief executive officer who:

(a) has the responsibility and authority to determine when and what material shall be broadcast over the station; and

(b) has the responsibility and authority to administer disbursements under a budget authorized by the governing board of the licensee.

(2) **STAFF:**

(a) Each grantee must have no less than ten staff, which includes: five full-time staff with regular benefits, one of which is the manager or chief executive officer, **AND** the equivalent of five additional full-time personnel, paid no less than the minimum federal hourly wage. The term "full-time" will be understood to be the number of hours that constitute the normal acceptable work week at each institution or station. Likewise, each "equivalent full-time" position will mean equal to the number of hours for a normal work week at each station.

(b) Minimum staff cannot be paid with CSG funds.

(c) Persons employed on a non-permanent basis, such as on a public service employment training program grant or a CPB training grant, cannot be considered full-time professional television station staff to meet this criteria.

(d) Personnel used to meet the five full-time staff requirement may not teach or hold academic duties in excess of the equivalent of one three credit hour course per quarter or semester.

(3) **JOINT OR DUAL LICENSEE:** When more than one grantee is operated by one licensee, each such grantee in addition to the above, must be headed by a manager or other chief executive officer who reports directly to the governing board of the licensee; or in the case of university licensees, each general manager should report on an equal basis to the next level of governing superiors.

(4) **NONFEDERAL INCOME:** Each grantee must have a minimum non-federal annual income of $300,000.

(5) **STUDIO/PRODUCTION FACILITIES:** Each grantee must have studio and production facilities and regularly produce and broadcast locally originated programming.

(6) **BROADCAST OPERATIONS**

(a) during the first full year of on-air operation commencing immediately following issuance of Program Test Authority, broadcast on a minimum schedule of six days per week, fifty-two weeks per year, for a total of at least 2,500 hours; and

(b) for all stations during the second such full year of operation and in all succeeding years, broadcast on a schedule of seven days per week, fifty-two weeks per year, for a total of at least 3,000 hours.

(7) **PROGRAMMING:**

(a) The station's daily broadcast schedule must be devoted primarily to programming of good quality which serves demonstrated community needs of an educational, informational and cultural nature, within its primary signal area.

(b) A program schedule designed to further the principles of religious philosophies does not meet the definition of this criterion.

(c) Stations licensed to political organizations do not meet the definition of this criterion.

(d) CPB will provide CSG assistance to all eligible television stations that meet current criteria regardless of overlapping broadcast signals. However, a grantee seeking qualification in a market where a CPB-qualified television station already exists must demonstrate the intention to provide a substantially different program service or a new service to a substantial number of unserved homes. For the purpose of this criterion, counter-scheduling programs already available from a CPB-qualified station in the market does not, by itself, constitute a substantially different service.

C. SPECIAL PROVISIONS

(1) CPB-qualified stations must maintain financial books and records in accordance with generally accepted accounting principles.

(2) Stations that fail to file the CPB Annual Financial Report and/or the CSG Final Report and/or an audited financial statement by the applicable deadlines without benefit of an extension shall be penalized at the rate of 1/365 of the next coming grant for each day the reports remain outstanding. This policy may be waived for good cause at the discretion of CPB management.

(3) CSG recipients are expected to use accrual basis accounting methods consistent with provisions detailed in the CPB publication Principles of Accounting and Financial Reporting for Public Telecommunications Entities. Expenses charged against CSGs using a cash basis accounting system may vary from expenses recognized on an accrual basis and might not be allowed under the terms of the grant.

(4) CSG recipients could be required to refund CSG funds if inappropriate accounting methods are used and if inappropriate NFFS claims are submitted.

(5) Stations found to be out of compliance with the CSG criteria beyond the normal probation period without benefit of a waiver shall be penalized at the rate of 1/365 of the next coming grant for each day of non-compliance. This policy may be waived for good cause at the discretion of CPB management.

(6) Stations qualified to receive the CSG must maintain open records, must hold open meetings, and if licensed to a community organization, must have a community advisory board in addition to the governing board. Reasonable notice of the meetings must be provided to the general public.

(7) All CPB-qualified stations must be in compliance with applicable regulations regarding equal employment opportunities.

(8) Stations in joint operations (radio/television) must be individually qualified to benefit from the CSG.

(9) To benefit from the CSG, dual operations (radio/radio or television/television) licensed to the same organization must be individually qualified for CPB assistance under the following conditions:

   (a) Each station must separately meet all CSG eligibility criteria.

   (b) Each station must provide a separate and distinct program service for the community of license.

(10) For purposes of CSG administration, networks consist of at least two dual licensed stations. Their operations may be consolidated to earn a single CSG under the following conditions:

   (a) The stations (transmitters) serve separate communities.

   (b) The majority (no less than 75%) of the broadcast schedule for each station originates from a central network source.

(11) Stations found by the FCC to be in violation of applicable rules and regulations shall be considered ineligible for grant funding for the duration of the period of violation.

QUALIFICATION PROCEDURE

Stations which meet the minimum requirements outlined herein are eligible to apply for CPB Qualification by submitting a qualification survey.

For further information, or to request a qualification survey, contact:

Broadcast Services
Corporation for Public Broadcasting
1111 Sixteenth Street, NW
Washington, D.C. 20036
(202) 955-5100

APPENDIX B

Public Broadcasting Radio and Television
Stations in Florida's System

Public Broadcasting Radio and Television Stations in Florida's System

Station Call Letters	Licensee Type	Location
Television		
WPBT	Community	Miami
WEDU	Community	Tampa
WSRE	Institutional (Pensacola Jr. College)	Pensacola
WFSG*	Institutional (Florida State University)	Panama City
Radio		
WQCS	Institutional (Indian River Community College)	Ft. Pierce
WKGC	Institutional (Gulf Coast Community College)	Panama City
WUWF	Institutional (University of West Florida)	Pensacola
Joint Licensees (TV and Radio)		
WJCT	Community	Jacksonville
WMFE	Community	Orlando
WXEL	Community	West Palm Beach
WFSU	Institutional (Florida State University)	Tallahassee
WUFT	Institutional (University of Florida)	Gainesville
WUSF	Institutional (University of South Florida)	Tampa
WSFP*	Institutional (University of South Florida)	Ft. Myers
WLRN	Local Authority (Dade County School Board)	Miami

*Translator stations.

APPENDIX C

Legislative Appropriations for 1980-89

FLORIDA PUBLIC BROADCASTING
DEPARTMENT OF EDUCATION
SUMMARY OF APPROPRIATIONS
1980-1990

	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90
A. Statewide Programming	$ 345,209	$ 408,098	$ 443,017	$ 442,457	$ 465,465	$ 483,619	$ 500,546	$ 521,068	$ 795,857	$ 832,479
B. Florida Community Service Grants (FCSG)*	4,455,951	5,551,764	5,969,685	5,962,181	6,269,528	6,514,039	6,742,030	7,118,726	7,607,156	7,939,635
C. NTIA Equipment Matching	1,000,000	1,000,000	800,000	750,000	750,000	1,000,000	500,000	600,000	600,000	375,025
D. Radio Reading Services Grants	36,863	59,718	82,205	84,178	88,555	138,943	143,806	149,702	156,289	163,478
E. Equipment Grants	-0-	-0-	-0-	7,138,036	-0-	-0-	660,000	-0-	-0-	-0-
F. CTC & FPRN Equipment Update	186,750	202,811	214,977	190,659	204,383	205,491	208,579	210,280	212,094	212,598
G. New Facilities	3,004,672	-0-	-0-	165,000	2,000,000	3,700,000	5,351,210	1,370,000	205,000	2,609,319
H. Other	-0-	-0-	-0-	215,000	127,650	-0-	-0-	-0-	-0-	100,000
TOTAL	$9,029,445	$7,222,391	$7,509,884	$14,947,511	$9,905,581	$12,042,092	$14,106,171	$9,969,776	$9,576,396	$12,232,534

* FCSG/STATION

TV	$ 438,289	482,743	511,684	511,036	537,379	558,336	577,879	601,572	587,826	605,264
FM	$ 73,050	80,459	85,284	85,182	89,573	93,068	96,324	100,273	103,733	116,521

C-1

APPENDIX D

Revenue Sources for Individual
System Stations

REVENUE SOURCES FOR INDIVIDUAL SYSTEM TELEVISION STATIONS DURING FY 1987-88

	STATE CSG	STATE OR LOCAL INSTITUTIONAL*	STATE EQUIP.	FEDERAL CSG	FEDERAL EQUIP.	DIRECT SUPPORT	CONTRACTS, SPECIAL PROJECTS	OTHER**	TOTAL
WPBT-MIA	601,572	-0-	-0-	865,539	-0-	4,123,556	4,695,427	1,839,005	12,125,099
WJCT-JAX	601,572	298,490	-0-	527,528	237,578	1,629,205	827,178	143,402	4,264,953
WEDU-TPA	601,572	-0-	-0-	631,317	-0-	2,290,478	418,381	287,191	4,228,939
WLRN-MIA	601,572	900,000	-0-	649,174	-0-	155,786	120,780	791,055	3,276,140
WMFE-ORL	601,572	-0-	-0-	483,838	228	1,541,452	343,110	63,396	3,033,596
WUFT-GNV	601,572	537,311	59,870	428,266	59,870	611,000	38,000	8,412	2,344,301
WFSU-TLH	601,572	586,885	-0-	473,114	-0-	368,350	213,641	-0-	2,243,562
WUSF-TPA	601,572	455,368	167,704	439,863	229,805	62,027	9,298	154,531	2,119,448
WXEL-WPB	601,572	-0-	-0-	410,091	-0-	938,677	-0-	46,586	1,996,926
WSRE-PEN	601,572	356,484	-0-	394,383	-0-	163,152	-0-	18,096	1,553,687
WSFP-FTM	601,572	114,505	-0-	7,683	-0-	336,416	-0-	12,794	471,398
									37,638,049

REVENUE SOURCES FOR INDIVIDUAL SYSTEM RADIO STATIONS DURING FY 1987-88

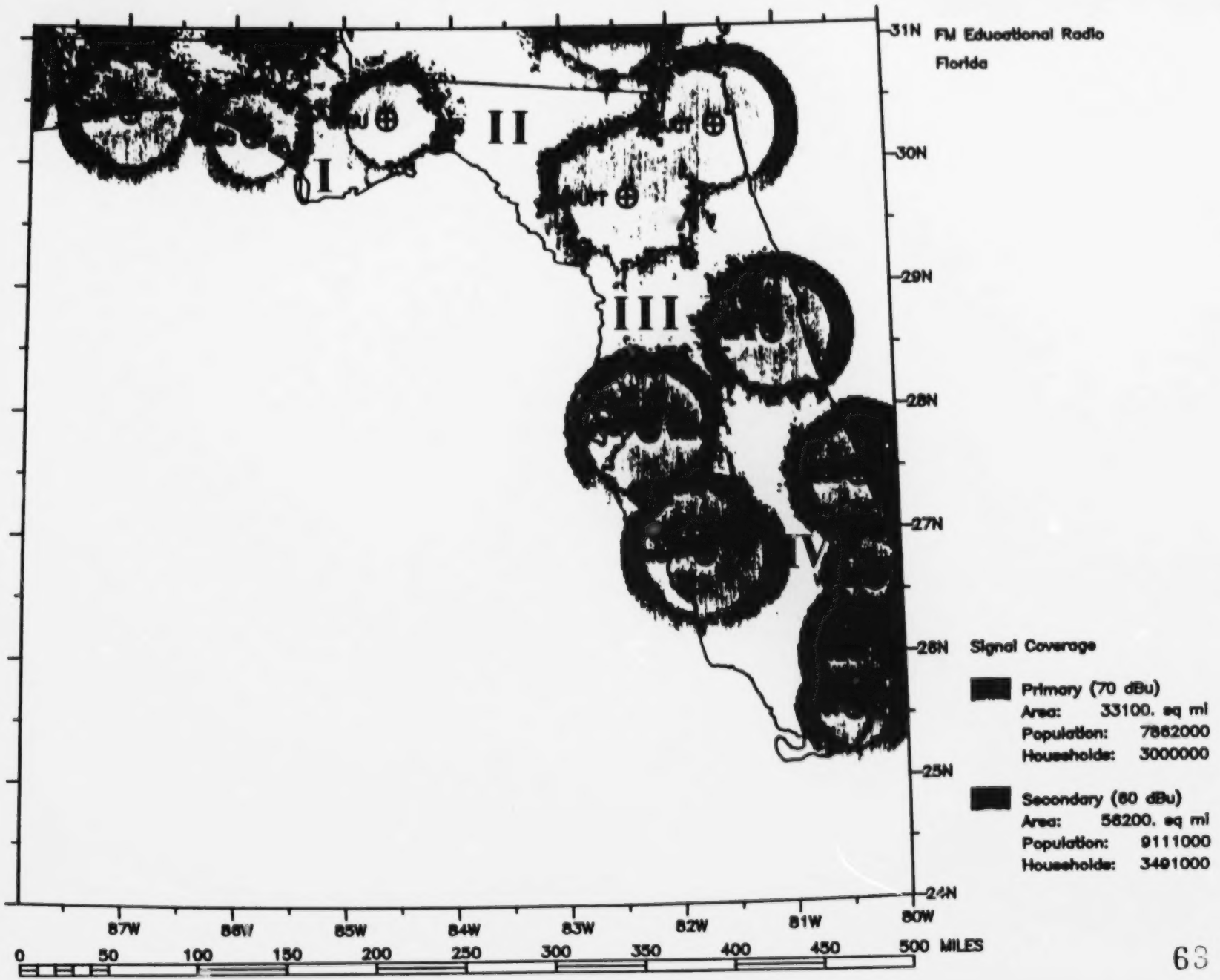
	STATE CSG	STATE OR LOCAL INSTITUTIONAL*	STATE EQUIP.	FEDERAL CSG	FEDERAL EQUIP.	DIRECT SUPPORT	CONTRACTS, SPECIAL PROJECTS	OTHER**	TOTAL
WUSF-TPA	100,273	245,777	36,349	329,978	-0-	366,326	38,939	642,765	1,760,407
WUFT-GNV	100,273	443,549	-0-	194,231	-0-	153,596	23,797	2,483	917,929
WLRN-MIA	100,273	195,000	-0-	113,049	-0-	403,280	-0-	49,900	861,502
WMFE-ORL	100,273	-0-	-0-	125,047	-0-	366,752	147,636	54,515	794,223
WFSU-TLH	100,273	186,541	-0-	151,041	-0-	47,880	55,747	141,968	683,450
WXEL-WPB	100,273	-0-	-0-	123,010	-0-	343,701	-0-	51,852	618,836
WUMF-PEN	100,273	241,487	-0-	155,473	-0-	77,819	5,212	11,266	591,530
WJCT-JAX	100,273	291,703	-0-	175,259	-0-	291,703	-0-	3,460	575,795
WQCS-INR	100,273	185,824	-0-	119,013	-0-	110,418	4,900	1,071	521,499
WSFP-FTM	100,273	43,052	-0-	16,295	-0-	164,935	31,753	46,703	403,011
WKGC-PCY	100,273	135,033	-0-	100,018	-0-	40,011	1,509	-0-	376,844
									$8,105,026

Source: Florida Department of Education, Office of Public Broadcasting

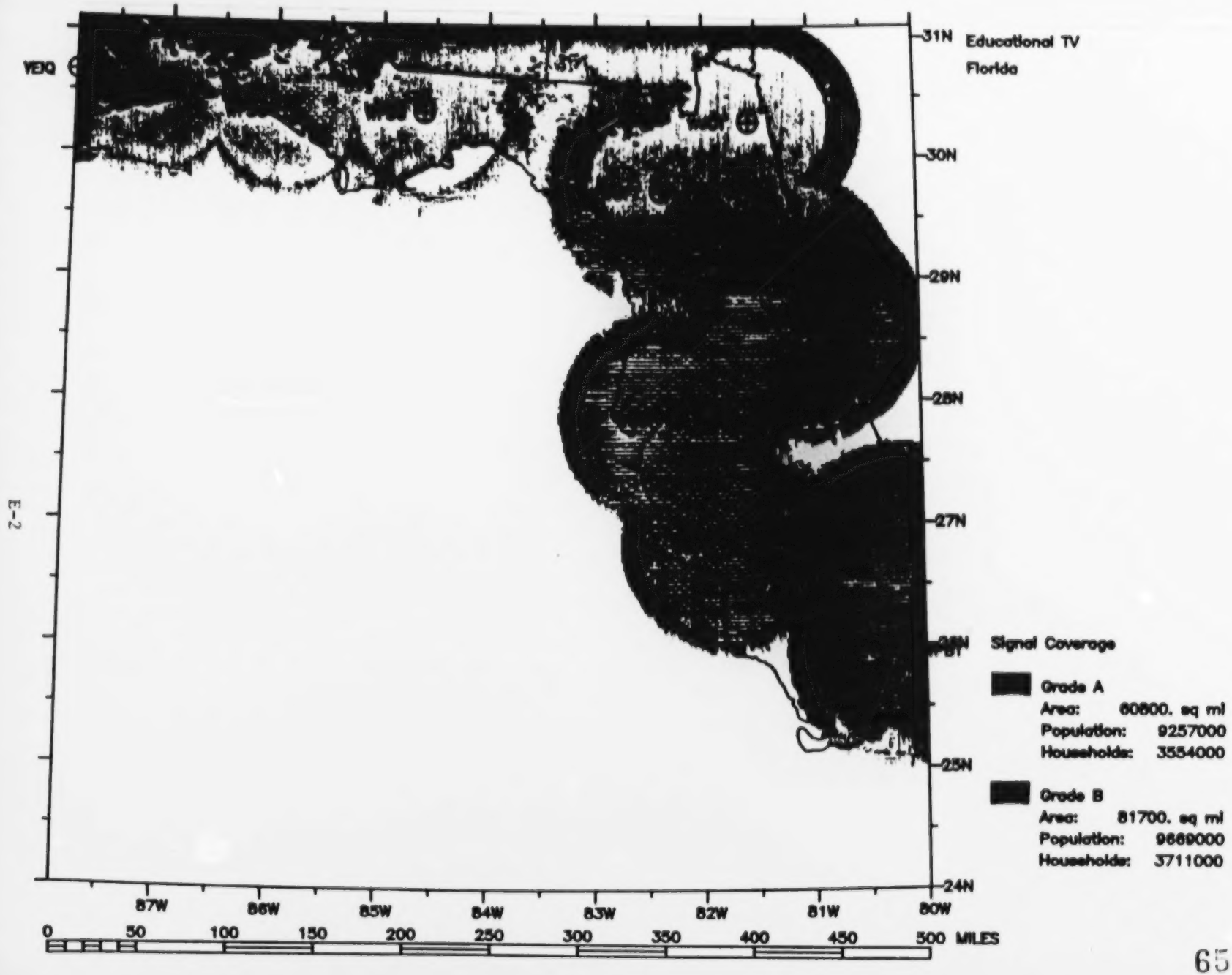
*Source of funds is direct support from either state or local educational institutions and does not reflect indirect institutional support.
**Other funds include foundation grants, corporate sponsors, humanities grants, etc.

APPENDIX E

Florida Public Television and Radio
Signal Coverage


FM Educational Radio
Florida
I
II
III
IV
V
31N
30N
29N
28N
27N
26N
25N
24N
87W
86W
85W
84W
83W
82W
81W
80W
0
50
100
150
200
250
300
350
400
450
500 MILES
Signal Coverage
Primary (70 dBu)
Area: 33100. sq mi
Population: 7862000
Households: 3000000
Secondary (60 dBu)
Area: 56200. sq mi
Population: 9111000
Households: 3491000

E-1


VERO
31N
30N
29N
28N
27N
26N
25N
24N
87W
86W
85W
84W
83W
82W
81W
80W
0
50
100
150
200
250
300
350
400
450
500 MILES
Educational TV
Florida
Signal Coverage
Grade A
Area: 60800. sq mi
Population: 9257000
Households: 3554000
Grade B
Area: 81700. sq mi
Population: 9869000
Households: 3711000

E-2

APPENDIX F

Consultant's Report

Florida Postsecondary Education Planning Commission
Florida Public Broadcasting Report
January 4, 1990

Submitted by David J. Brugger

Executive Summary

The state legislature instructed the Postsecondary Education Planning Commission to review current policies and procedures related to the Public Broadcasting Program System.

The legislative history indicates a desire to provide coverage of the state with public broadcasting services as defined by the local station licensees. It also indicates a desire to provide programs of both broad and special interest appeal but with specific funding for specific programs or services it deemed necessary for its citizens. It also indicates that there were limits to its capital investments and current limits to the services it will support without further consideration.

Emerging technologies and the service potential made possible by those technologies are causing other states to examine how telecommunications can improve and enhance the services they want to provide to their citizens. Florida has a public broadcasting infrastructure that could capitalize on the services already being produced and expand services by extending existing facilities.

It is unlikely that commercial media will provide the range of services the state deems necessary for the public interest to be served. Gauging what services are necessary to meet those public needs must be reevaluated on a regular basis in order to answer operational questions like those that provoked this study.

The state has a decentralized public broadcasting system that provides it with a wide array of checks and balances to assure community input and responsive services geared to local audiences but capable of serving broader needs of the state.

Funding allocations require criteria based on service or public policy objectives of the state. Establishing those objectives is where the state should begin.

Introduction

The 1989-90 appropriations language for the Postsecondary Education Planning Commission (PEPC) stated:

> From the funds provided in Specific Appropriation 587, the Postsecondary Education Planning Commission shall review current policies and procedures related to the Public Broadcasting Program System. The report and recommendations shall be submitted to the Legislature by March 1, 1990.

On September 25, 1989, by phone with Pam Zimpfer of PEPC, this consultant was asked to provide a national perspective on issues being examined by the Florida PEPC as they related to public broadcasting.

By letter dated October 23, 1989, PEPC provided background materials and asked me to examine and address six issues:

1. How well does Florida's television interconnection system meet the State's public broadcasting needs?

2. How has cable television affected Florida's public television stations in terms of broadcasting coverage, program competition and viewer support?

3. How should the future growth of Florida's Public Broadcasting be determined—by lack of signal coverage (unserved areas) or by unmet programming needs?

4. How should State Government best ensure accountability of State funds used by Florida's Public Broadcasting stations?

5. How should State financial support be allocated to Florida's Public Broadcasting stations?

6. What is the proper role of fundraising and corporate contributions in support of Florida's Public Broadcasting station operations?

I was asked to participate in the examination of these issues because of my 23 years of public broadcasting experience in production, operations, programming and management at the local, state and national level. Part of that experience was in the state of Florida between 1977-81 as General Manager of WUFT-TV-FM. The last nine years included work with, and on behalf of, the Florida stations at the Corporation for Public Broadcasting and currently at the National Association of Public Television Stations.

My knowledge of public broadcasting in Florida has been kept current because of Florida's leadership and therefore my use of it as an example for other states to follow, personal interests in bellwether issues brought on by Florida's changing demographics and the need to work closely with the Florida stations as they develop information about their service for their Congressional delegations.

My role here is to review the reports already developed by the PEPC staff and the state auditor, examine the issues raised by the staff and respond to them based on my knowledge of national trends in public telecommunications and ways in which other states are addressing the same issues.

This report will look at the intent of the Florida legislature by design and action as it funded facilities and services through public broadcasting stations and their extensions of their broadcast services with additional technologies. The report will look at how other states are dealing with pressures for increased services and the use of emerging technologies. I will comment on each issue raised and make recommendations if appropriate.

(A glossary of terms is provided in the appendix.)

A Historical Perspective of Florida's Public Broadcasting Policies.

From the very beginning of educational broadcasting in Florida in 1957, the intent of the state was expressed in services. Leaders in Florida were obviously watching the development of commercial broadcast programming and saw the need to harness the medium for public services which would educate, enlighten and inform its citizenry. They also understood that those kind of services are not commercially viable and therefore require tax-based support.

An educational television commission was established to provide those services, that is, a means of extending the powers of teaching, to raise the living and educational standards for Floridians and protecting and promoting public interest in educational TV and radio.

This commission recognized the services already being delivered by the existing public stations to their communities. Their transmission facility was to be used primarily for instructional services for community colleges and universities.

In 1965, the state looked to extend the potential economics of broadcast television by having the Commission's authority extend to the elementary level and over all state agency budgets for Educational Television (ETV) program production and distribution. In 1967, the Department of Education received the responsibility for establishing a statewide television network with the Board of Regents having responsibility for ETV at the university level. The ETV Advisory Council acting for the state had achieved a plan for statewide coverage.

At that point, the state further acknowledged the growth and programmatic potential of the then existing public TV stations by mandating their participation in the commission's decision-making process. This station involvement distinguishes Florida's decentralized system from state public broadcasting networks by recognizing the importance of local needs and initiatives that established and funded the stations.

In 1973, Florida restated its intent based on services it wanted provided. The legislature recognized that they wanted to maintain the valued programming already being provided by public broadcasting and wanted to assure that resources in the instructional area were going to complement what existed and be further shared.

It's important to note that early in the development of the system, there was concern about duplication of facilities and programming. It is evident that the state wanted to fund programming and facilities but only to the extent they complemented what already existed. It wanted statewide delivery and station-based participation in decision making. It was also clear that the state did not want to limit the kind of programming services it wanted to support, from arts to public affairs to public participation programs.

By 1980 the state was concerned about the overbuilding of facilities and limited its support to extending and improving existing stations' facilities to the extent there was no substantial duplication of station broadcast coverage. Considering what existed at the time, the system the legislation referred to would include the existing stations, programming being provided by the public radio and television broadcast stations, Instructional Television Fixed Services (ITFS) operated by television stations, radio reading services for the blind and the satellite system that interconnected the stations with an uplink antenna in Tallahassee and a downlink antenna at each station.

The 1980 sunset review for the ETV Advisory Council noted that the state felt it had virtually completed the construction of facilities, and that it had provided for an adequate level of program variety offered through the facilities the state was currently supporting. It also noted that citizen input had been provided for through ample alternative sources, referring to the local public stations, their boards and stations' other local community efforts.

The 1987 legislature created the establishment of a state satellite network for two-way audio and one-way video access to instructional programs, continuing education and teleconferencing services for a substantial portion of the Florida population.

In the use of this state satellite network there was an obvious concern for coordination and cooperation among institutions, compatibility with existing equipment and a limitation on the amount of state funds to sustain operations. The state wanted to establish a network but have user fees and local institutional resources maintain operating support.

From a review of legislative intent and funding actions since its initial investment in public telecommunications, it is evident that the state wanted statewide facilities to deliver educational, arts and public affairs programming to its citizens. It is also evident that it would support more than one service through one outlet assuming a second outlet was going to provide a distinctly different service. The fact that the second outlet was a broadcast station speaks as much to the lack of readily accessible alternatives for delivery of those distinct services as to the existence of the second station.

As the issues itemized above imply, the state is now looking ahead to assure itself that its intent is being carried out and questioning whether the existing systems and their services are adequate.

What is not evident is what the state wants to accomplish beyond what it has delineated in past legislation. It appears that the state felt it had done its job with the establishment of broadcast facilities but saw a continuation and extension of services with satellite technology (SUNSTAR) that could be used to expand their services to government and industry through its community college system, state universities, vocational technical schools and public school districts.

The issues raised above beg the question of what the state wants to accomplish. It might look at what is being developed in terms of new technologies for program delivery and how it can build on what it has developed. It might also look to the programming needs of its growing and changing population and whether its existing facilities can accommodate the service needs of its varied population.

It would not be repetitious to state that this country, if not the world, is in the initial stages of an information explosion and individual accessibility to almost unlimited information. The combination of broadcast, satellite, narrowcast, videotape, computer and the initial use of interactive satellite and fiber optic technology opens the door to further areas of expansion. Given that the state of Florida has been on the leading edge of technology and quality program services, newer technologies can allow the state's existing systems to extend their services for greater citizen access and therefore greater cost/benefit for the state's investment. For example, public television and radio programs have been made available on cassette to libraries for easier public access at times convenient to the public.

The extension of programming for individual scheduling and use opens the door to services that could provide a unifying force to the diverse Florida culture in terms of educational and other quality program services. Language courses produced and broadcast by public stations have been transferred to interactive videodisc and could be made available through a variety of public institutions.

The provision of services must also take into account the potential for the creation of a society of haves and have nots. The state can be the equalizing force to assure an equality of services for its new as well as its established populations. There are school districts in some states that do not have the teaching resources to offer math, science and language courses necessary for entrance to college. Public television has bridged the gap with master teachers using interactive satellite to reach those students and allowed those students to interact with those teachers. Public television has also created computer data bases and forums of exchange that allow teachers to easily find the latest in teaching materials and techniques for personalized application.

What are other states doing?

How have other states coped with similar issues? A look at the state of South Carolina as one example, and at Iowa and Nebraska as other examples indicates how others are planning to accommodate their state's desire to provide increased public telecommunications services and their citizens' desire to access those services.

Public television is best known for its prime time programs because those are the ones which receive the advertising support and promotion from corporate underwriters. The dominance of those 15 to 20 hours a week cause misperceptions about the majority of what public television does. There are another 120 hours per week on air that include formal and informal instruction, broadly defined educational product, community outreach and interaction, college credit courses and more.

Outside of their broadcast schedule, stations are developing and using the vertical blanking interval of their broadcast spectrum, satellite dishes, videodisc, computer software, ITFS, cable channels, videocassettes and fiber optics—all used to bring video and data resources to bear on teaching and learning in schools, in the home and in the workplace.

For example, in addition to the 90 plus hours of instructional programming on its 11 open circuit TV transmitters and 8 radio transmitters, the South Carolina ETV Network provides subchannels for 17 hours per day of programming for the blind and 24 hours of weather. It has a multi-channel ITFS system carrying staff training and educational programs to and from 625 locations from hospitals to colleges to technical education centers to agricultural extension centers. They provide a 48 port audio conferencing bridge that is fully automated. They provide national satellite uplinks of 7 hours per day of instruction to elementary schools and 14 hours per day of interactive math, science and languages to high schools. It has 44 tape and delay centers for cassettes. It is planning to expand its channels of service by six using current technology.

Nebraska Educational Telecommunications is beginning construction of an interconnection system that will use their current broadcast and microwave technology and add fiber optics to allow not only quality television and radio signals but to add a second broadcast channel video signal and 12 one-way or six two-way video signals. It will provide for interactive distribution of instruction for its universities and medical colleges, its corporate instructional services, and the interconnection of 72 Cooperative Extension offices and community colleges. They will also expand the interactive instruction being provided for elementary and secondary schools.

Iowa Public Television is coordinating a $50 million interconnection plan to facilitate interactive teaching and learning between all its state universities, community colleges, area education agencies, schools, businesses and governmental agencies. It will employ its existing public television satellite network and broadcast television stations, community college ITFS and microwave, and add fiber optics, microwave and cable systems. It is considered a "linchpin to Iowa's economic growth."

What then are the alternatives for Florida? Florida has individual stations as opposed to a state network. That has not inhibited the production or use of programs statewide nor should it inhibit the planning for, production or distribution of new services. It has allowed individualized services to demographically different population bases through a broadcast medium. The application of new technologies for delivery of services can take advantage of its existing variety of production facilities, public broadcasting's large body of production and technical expertise and its localized utilization and training capabilities. It has the basic infrastructure to expand its services with minimal capital investment. It has developed those local and regional relationships that provide the potential for greater tax-based, institutional, individual, business and industry support for many of its educational services.

[The appendix includes information from a recent study by the Federal Office of Technology Assessment with examples of how a number of states are coordinating telecommunications for video, audio and data information.]

How well does Florida's television interconnection system meet the State's public broadcasting needs?

The first issue questions the adequacy of Florida's interconnection system. If Florida views the existing public broadcasting services as the limit of what it wants to accomplish in services to its citizens, then it is adequate assuming future maintenance and modernization as technology improves. As a matter of fact, the PBS and NPR have signed contracts for a new satellite system using the latest technology which will be implemented by 1991, upgrading facilities at the Florida public stations.

If Florida intends to continue being a leader in telecommunication services, it must recognize that public "broadcasting" is a misnomer relative to programming currently being produced. Broadcasting is only one way to deliver the many services available through public broadcasting in Florida. In addition to local, state and nationally scheduled programs now being broadcast, public stations are programming cable channels; using master teachers for interactive satellite high school instruction; producing video and audio cassette series for schools, homes, libraries and the workplace; producing interactive videodisc series; producing computer programs and data resources to complement video courses; compiling and programming interactive computer data and fora for administrators, teachers and students; creating computer data bases for community information and exchange among social agencies, government agencies, businesses and more. Whatever the technology, public broadcasting is creating services that add to the quality of life.

(The appendix contains a copy of a speech to the National Council on Community Services and Continuing Education that further delineates the technologies and services being developed and used by public broadcasting.)

The Florida system of stations offers the facility and personnel advantages of a decentralized system, each with their own mission to maintain contact with and serve, through their licensee, their local community and region. Florida also has the advantages of a centralized system interconnected by a state satellite system when needed and wanted, and a base for an extension of facilities and the addition of new services.

How has cable television affected Florida's public television stations in terms of broadcasting coverage, program competition and viewer support?

The second issue is curious because it plays to a misperception about why public television exists. It exists because the imperatives of the commercial marketplace will not allow, other than as an exception, the proliferation of public service programs dedicated to societal solutions on any media other than public broadcasting. Those commercial imperatives exist to bring audiences to advertisers. Public broadcasting's public service imperatives bring program content to audiences. The economics of commercial media allow program providers to charge more to run a commercial if the audience is larger. Public broadcasting has no such audience pressures and can therefore serve special interests on which commercial interests cannot make a profit.

Increasing the number of program services available for purchase by the public—regardless of the technology—will not change this distinction. What is changing is that the comprehensive exploitation of the medium for profit has created the overwhelming perception that television and its technological extensions are passive entertainment vehicles. The investment in public broadcasting is the counter-balance toward the vision that would use the medium for public service, education and culture.

The state has always had public welfare objectives that transcend commercial interests. Florida did not close its colleges and universities because private schools opened. It did not sell its public parks after commercial amusement parks opened their gates. Florida does not allow private enterprise to create toll roads that prohibit access to its state lands or only allow those who can pay the toll to have access.

The financial success of cable is the result of charging line fees for delivery of broadcast signals to those who can afford to pay for that line and more for premium (movie, children's) channels. The more cable comes to depend on advertising dollars for its growth in revenues as it reaches its saturation point in physical growth, the more it tailors its programming to mass audiences and competes for commercial broadcast programming (e.g., sports).

In response to the *Background Report*, it should be noted that cable has highly promoted its channels that have programs that include many public television reruns and programs from syndicators who also sell to public television. There are no programs "reserved for public broadcasting." That public broadcasting has been a leader in quality children's, cultural and public affairs programming, and has influenced another part of the media to also produce quality family fare, should be an encouragement to public broadcasting funders to increase their support for that leadership. Also, regarding cable "competition," it should be noted that viewer support for public television and radio has continued to be one of the largest growth areas for revenues.

How should the future growth of Florida's Public Broadcasting be determined--by lack of signal coverage (unserved areas) or by unmet programming needs?

This issue regarding future growth must be driven from the response to the first issue.

Florida has the broadcast capability to cover the majority of its population. It can extend those existing signals by means less expensive than broadcast stations, e.g., translators, microwave, ITFS, fiber optics. The reason stations exist is to deliver services economically to a broad base of Florida's citizens.

The policy framework for growth must be services or "unmet programming needs." *De facto*, the state has already decided the issue. It has chosen to support multiple services in Tampa and Miami. It has done so knowledgeable about the signal overlap yet acknowledging distinct, but broad program services not offered by the other existing station. Also, the state made the decision to support those services at a time when alternatives were not readily available.

The state has also chosen to capitalize a service made possible by the programmatic capabilities of its community colleges, even though some of those services are possible through an extension of existing public television stations.

Based on the existing services available in states like South Carolina and those planned for Iowa and Nebraska, Florida needs to decide what services are in the best future interests of the state, and to what extent it sees itself as a partner in the development and delivery of those services. Commercial interests can support some services but only tax-based support can provide an equality of base services to all Floridians.

Responding to the *Background Report*, the NTIA study was meant to deal with Congressional concerns for coverage by public broadcasting for all U.S. citizens. In the past, these studies have been used by the executive branch of the federal government as a rationale to discontinue funding of public telecommunications facilities based on the false assumption that the funding program was only for initial capitalization of public telecommunications. Congress has continued the program to maintain first service to the 93 percent of U.S. TV households capable of receiving a public broadcast signal.

How should State Government best ensure accountability of State funds used by Florida's Public Broadcasting stations?

This issue deals with accountability and it is an unclear concept when it departs from the financial area.

The Federal Communications Commission (FCC) issues a broadcast or narrowcast (microwave) license to a not-for-profit local community group or institution for local service to a local community. Noncommercial stations normally consider all programs to be local, i.e., content-relevant to their community of service.

Stations maintain a list of the most relevant community issues and must demonstrate its performance to the FCC at the time of its application for license renewal.

However a station may assess those needs, whether they meet the community's expectations is reflected in viewership and financial support from viewers and local underwriters. The state-elected representatives of the people reflect their constituents' desires which is demonstrated by increased state support. Even at the federal level, the public's need and desires for quality video and audio programming is reflected in increased federal support, even under recent budget constraints and in times of less robust support for other government programs.

The idea of a need for a "formal verification process by the state where FPBS stations are required to match community programming needs with station programming efforts" is bureaucratic and duplicative, therefore burdening to an institution already burdened by inadequate funding.

Over the years, well-intentioned groups have swayed the Federal Communications Commission, Congress or the Corporation for Public Broadcasting to institutionalize the public's involvement in public stations' program decision-making. Those groups have had little background in local station governance and management and had program objectives of their own. Most formal structures have gone by the wayside because the need was artificial, the structures counter-productive, and the results inconsequential and many times costly to a public institution that could ill-afford it.

Should a station not serve its community, the result would be quick and decisive. Regardless of income source and amount, lack of service leads to diminishing financial support. It is a rare public service that gives its potential consumers and supporters the opportunity individually to discontinue its services at the press of a button, competes in the most competitive media environment in the world, must make continuous and personal appeals for funds and is under federal, state and local restrictions on its ability to compete and operate. It should be self-evident that there is probably no more accountable tax-supported institution than public broadcasting.

How should State financial support be allocated to Florida's Public Broadcasting stations?

What is the proper role of fundraising and corporate contributions in support of Florida's Public Broadcasting station operations?

The allocation of state funds and the role of fundraising must be related to what the state is intending to accomplish with its funds. Since the state began its community service grant program, it has followed the recommendation of its stations and opted for providing an equality of services for all Floridians regardless of where they live in the state. It provides equality for those who haven't the educational or cultural resources physically available, nor the personal resources to otherwise purchase the educational or cultural programing.

The state must decide if it wants to change this precedent and use its funds to direct station activities toward service objectives, or fundraising objectives, or other public policy objectives.

Service objectives are not unusual but usually broadly stated because of sensitivity to avoiding government involvement in programming and avoiding a disregard for local community initiatives and direction.

Fundraising objectives can have the detrimental effect of disadvantaging rural areas of the state already poor in educational or cultural resources and, therefore, also in personal and corporate resources. It can provide an incentive for fundraising if the intent of tax support for a public institution is to have it spend more of its energies in private fundraising.

Other policy objectives can be applicable to the extent the state wants stations to pursue new initiatives mentioned under the first issue. Given public broadcasting's lack of dedicated funding sources, without additional funds, incentives toward a new area will diminish service in an existing area.

Summary

Florida has physically covered, for all practical purposes, its state population with a broadcast service. Florida has also provided its population with a broad base of program services from formal to informal instruction, arts, cultural and public affairs programming, specialized services for the blind and hearing impaired and a variety of programs serving most minority interests.

Future physical expansion would be most cost effective by sustaining and increasing the capability of its broadcast stations to continue quality programs, and the non-broadcast extension of services for other specialized audiences using its existing broadcast production and distribution facilities.

For future service expansion, the state must first decide the extent to which it wants to support additional special programs. This should be the result of a more comprehensive study of service needs of its general citizenry, its existing telecommunication entities, its educational institutions, its governmental agencies and its commercial interests.

A policy framework based on service needs and state priorities will provide a basis for evaluating the operational questions giving rise to this inquiry.

Recommendations:

1. Future growth of Florida Public Broadcasting must be responsive to the needs of the citizens of the state. The state must first determine those needs.

The state should commission a study to determine the telecommunications interests, needs and desires of its citizens. The study should include the leadership of the public broadcasting community which already has an existing knowledge base and a ready network of contacts who continue to requests services from the public broadcasters. It should include educators from all levels, state legislators responsible for telecommunications policy, representatives of social and human welfare agencies, corporate leaders, library services personnel, among others.

Care needs to be taken to prevent "wish lists" of services and cost/benefit analyses must be performed on all potential services.

2. Concurrently, a study should be made of services and capital investments being made in other states so as to take advantage of the work already being done. Comparisons can be made of the feasibility of existing versus emerging technologies; cost information can be gathered on potential services; the base of support and usage of planned services can be gauged. Visits to other states should be undertaken.

3. Once the needs are established and the state decides which services it wants to offer its citizens and at what level of state support, it should examine its current investment in facilities through public broadcasting and its state satellite network. It should assure itself that it is maximizing those existing resources. Then it should examine what added investment it can make in them to provide added services at minimal capital investment.

In any case the state should not allow its services to depend on external delivery systems capable of thwarting the public's access to those services. If the provision of state services through cable or other delivery systems limits access or causes excessive additional public expense, the state should establish its own delivery systems.

4. With the above in hand, the state can evaluate the capability of the existing interconnection system and determine whether to expand that technology or to invest in technology more complementary to the desired service.

5. Government should use only financial audits to account for the use of state funds. As long as the funds are supporting the efforts of the station to serve the community, it should be the local licensee that determines whether programming efforts are meeting programming needs of the community.

If the state decides to fund a specific service based on the above recommended study, it should award funds based on those specific services.

6. The state should establish public policy objectives to be accomplished with its funds. It has done that with its community service grants to stations for their service to their communities. It has done this with funds for the provision of radio reading services to those radio stations offering those services. It has established and funded capital objectives and funded facilities and buildings for the stations as well as a state satellite network for a variety of public institutions. It has done this with its contract for coverage of the state legislature.

Based on the above studies, the state needs to establish those services it wants to deliver and the means by which it wants to deliver them. It should then allocate funds to those who can and desire to provide those services.

The state may decide that environmental or health related information is crucial to the well being of the state itself and therefore deserves complete tax-based funding.

On the other hand, the state may decide that it wants to promote training in a trade or profession that could enhance the state's competitiveness but feels that private businesses should support such an effort and therefore require matching funds for the production of those services.

Glossary

Audio bridges: Electronic devices that control and connect multiple telephone lines for audio and data applications, allowing many callers to be connected simultaneously. Used for audioconferencing.

Audioconferencing: An electronic meeting in which participants in different locations use telephones to communicate simultaneously with each other.

Computer conferencing: Allows individuals at different locations to communicate directly with each other through computers. Communication may be in real time or delayed.

Interactive video disc: A system that combines audio, data and video on an optical disc allowing the user to interact with the program and control its progress.

Downlink: An antenna shaped like a dish that receives signals from a satellite. Often referred to as a dish or earth station.

Fiber optics: Hair thin, flexible glass rods that use light signals to transmit audio, video and data signals. Fiber optic cable has much greater capacity than copper or coaxial cable (predominantly used by cable companies). Fiber optic cable is not as subject to interference and noise.

Instructional Television Fixed Service: A band of microwave frequencies set aside by the FCC exclusively for the transmission of educational programming. Allows audio, video and data to be received at sites located within 20 miles. Receive sites require a converter that changes signals to those used by a standard television set.

Microwave: High frequency radio waves used for point-to-point and omnidirectional communication of audio, data and video signals. Microwave frequencies require direct line-of-sight to operate; obstructions such as trees and buildings distort the signal.

Narrowcast: Point-to-point communication.

Subchannel: Part of a broadcast frequency used for services like the radio reading services for the blind or stereo transmission. Referred to as an SCA or subcarrier used to modulate information on another carrier.

Teleconferencing: A general term used for any conferencing system using telecommunications links to connect remote sites.. There are many types of teleconferencing including: videoconferencing, computer conferencing, and audioconferencing.

Translator: A station in the broadcasting service operated for the sole purpose of retransmitting the signals of a television station by amplifying and re-radiating those signals without altering any characteristic of the signal except its amplitude and frequency.

Uplink: A satellite dish that transmits signals up to a satellite.

APPENDIX G

1988 Auditor General Recommendation
Regarding 229.8051, F.S.

Establishing clear intent in State law is critical to guide the accomplishment of program goals and maximize the use of public resources. However, State law and Department policy do not provide clear and compatible intent regarding duplication of public broadcasting services. The Department has informally adopted some CPB requirements for Florida's television and radio stations, but has not adopted the CPB philosophy regarding program delivery which allows duplication of coverage areas.

Recommendations

We recommend that the Legislature amend s. 229.8051, F.S., to clarify the term "substantial duplication." If the intent of public broadcasting in Florida is to provide noncommercial educational programming to meet the needs of Florida's diverse population, then the Legislature should adopt CPB's operational definition of program duplication. Stations meeting the definition should then be eligible to receive State financial assistance. However, if the intent is to limit the number of stations to specific geographic locations in the State, then the Legislature should adopt Department of Education's interpretation of substantial duplication. This definition would limit State funding support to only those stations with the largest unduplicated coverage areas and would eliminate State support of stations that create duplication of geographic coverage.

DOE RESPONSE to Finding 1.1, pages 18-22

Recommendation, page 20

The Department concurs with the recommendation of the Auditor to amend s.229.8051, Florida Statutes, and will work with the appropriate legislative personnel prior to the 1989 Legislative session to clarify statutory language related to duplication.